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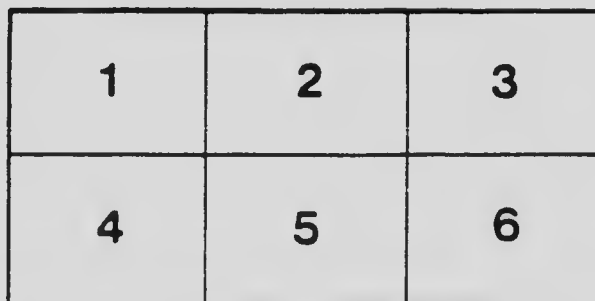
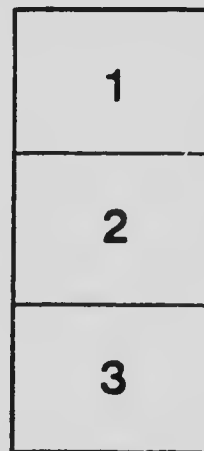
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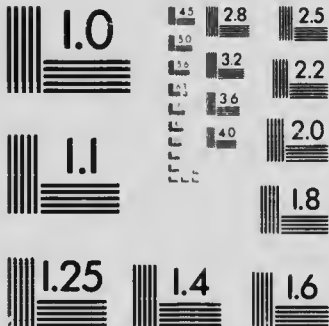
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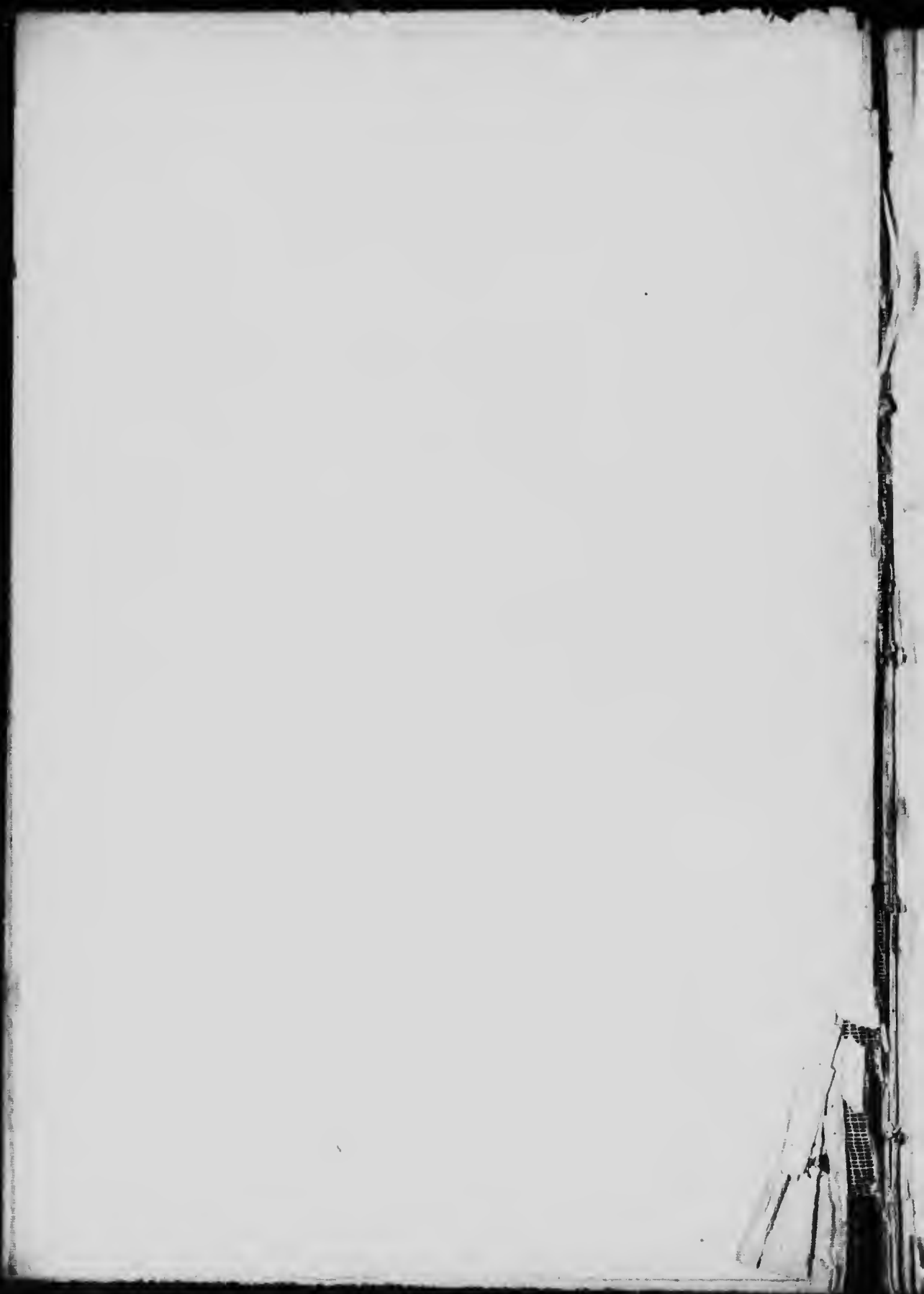
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# BOOK-KEEPING

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BOOK-KEEPING

FOR

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HIGH SCHOOLS,

AND

COMMERCIAL COLLEGES

BY

THE BROTHERS OF THE SACRED HEART.

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SECOND EDITION

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# PREFACE

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**T**HE prominent positions which many of our graduates occupy in the different banks and firms in the Dominion have so convinced the patrons of the Arthabaskaville Commercial College that the course of studies pursued therein is a thoroughly practical one, that many have repeatedly asked us to publish a method of Book-Keeping. In complying with the request, we entertain the hope that our work will prove useful to those who, like ourselves, are engaged in the education of youth.

The method which we offer is the result of many years' labor in the class room. The different sets have been taught at the Arthabaskaville College, and we are certain that the method is graded, practical, and progressive.

In order to assist the pupil as much as possible, we have explained every transaction in the book. The explanations are short and clear, and within the comprehension of all. Difficult transactions, especially those involving Interest, Discount and Drafts, are explained at length, as will be seen by referring to sets III and IV.

The plan of the work will, we believe, commend itself. Every set is divided into two parts. In the first part the subjects introduced and the Journal entry of every transaction in the Day Book are explained. Our method is to have the pupil study these explanations, so that he, himself, will be able to give the reason why an item is debited or credited. Once the first part of the set is understood, the pupil is required to make the Practice Sets, and, as much as possible, to rely upon his own mental resources for the proper entries. As aids to test the correctness of his work, the Loss and Gain and Balance Accounts of the different Practice Sets are given.

The work is now presented to the students of our Commercial Colleges and Academies, and that it will aid them in their earnest efforts to acquire thorough knowledge of the Science of keeping Accounts is the sincere wish of

THE AUTHORS.

COMMERCIAL COLLEGE OF THE SACRED HEART,  
Arthabaskaville, P. Q., CANADA,  
May 31, 1895.



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# DOUBLE ENTRY BOOK-KEEPING.

BOOK KEEPING is the art of recording business transactions.

There are two distinct methods of recording business transactions: *Single Entry* and *Double Entry*.

In *Single Entry*, accounts are kept with persons only, and the Ledger entry consists of a debit or a credit.

In *Double Entry*, accounts are kept with persons and things, and every Ledger entry consists of a debit and a credit.

Accounts are of two (2) kinds: — Real and Imaginary.

Real Accounts are those which show a resource or a liability.

Imaginary Accounts are those which represent an allowance made to us or by us for Interest, Discount, Commission, Expense, Exchange, etc.

The principal books employed in Double Entry are the Day Book, the Journal, and the Ledger.

The DAY BOOK is the book of original entry. The transactions are recorded in it as they occur in the order and at the time they occur.

The JOURNAL is a book in which the transactions recorded in the Day Book are so arranged as to facilitate their transfer to the Ledger.

The LEDGER is a book which contains under one heading all the sums belonging to the same account. Transferring the debits and credits from the Journal to the Ledger is called Posting.

## BILLS AND ACCOUNTS.

A BILL is a written statement of goods sold, money paid, services rendered, etc., giving the place, date, names of parties, and the price, quantity, and cost of each item.

The FOOTING of a BILL is the total amount of all the items. A bill is receipted when the person to whom it is due, or his agent, writes at the bottom of the bill "Received Payment," and signs his name.

A BILL OF PARCELS is a written statement of goods sold at one time.

A DUE BILL is a written acknowledgment of a debt.

AN ACCOUNT is a record of debits and credits. An account may have two sides, a debit and a credit; or only one side, a debit or a credit.

An **ACCOUNT CURRENT** is a statement of the business transactions between two parties during a certain time.

The **BALANCE** of an Account is the difference between the two sides of the Account.

An **ACCOUNT SALES** is a written statement, rendered by an agent or consignee to the consignor, of the sales of goods consigned, the charges, and the net proceeds.

A **RECEIPT** is a written statement, signed by the giver of it, acknowledging that he has received a specified amount of goods, money, or other property.

## RESOURCE AND LIABILITY.

A **RESOURCE** is value of any kind, or anything that will produce value. Cash on hand, Merchandise in store, Real Estate, Notes held by you against others, and debts due to you are resources for you.

A **LIABILITY** is a debt you owe. Your debts and the notes that others hold against you are liabilities for you.

**CASH** is a title to designate money.

**MERCHANDISE** is a title applied to all goods kept in store and dealt in as a business.

**BILLS RECEIVABLE** is a title for the notes and written obligations you hold against others.

**BILLS PAYABLE** is a title for the notes and written obligations held by others against you.

**REAL ESTATE** is immovable property, as land, houses, etc. **PERSONAL PROPERTY** is movable property,—as furniture, stock, money, etc.

## DEBTOR AND CREDITOR.

**DEBTOR** signifies the person or thing that owes or costs value.

**CREDITOR** signifies the person or thing that gives or produces value.

## ILLUSTRATIONS.

(1) If you sell Merchandise to me, and at the time of the sale I do not pay you it is evident that I cost you value in Merchandise, I owe you. In your account you will debit me; and as Merchandise produces value in my indebtedness, you will credit Merchandise.

(2) If you sell me Merchandise and I pay you, Merchandise produces value in cash, and is credited. The cash that you receive costs you value in Merchandise and is debited.

(3) If you sell Merchandise to me and receive my note in payment, Merchandise produces value in my note, and is credited. The note that you receive costs you value in Merchandise, and is debited.

(4) If you buy Merchandise of me on account, you owe me. In your account you will credit me; and as it is on account of Merchandise that you are indebted to me, you will debit Merchandise.

(5) If you buy Merchandise for cash cash produces value in Merchandise, and is credited; Merchandise costs value in cash, and is debited.

(6) If you buy Merchandise on your note, your note produces value in Merchandise, and is credited; Merchandise costs you value in your note, and is debited.

By examining the foregoing illustrations, it will be seen that the receiver or the thing received is debited, and that the giver or the thing given is credited. Hence the following

### GENERAL RULE FOR JOURNALIZING.

*Debit the receiver or the thing received*  
*to*  
*The giver or the thing given.*

In every Set of this book, rules for Journalizing are given. Every new subject introduced is accompanied by such full explanations, that the pupil will have very little difficulty to make the proper Journal entry. The explanations should be studied attentively, for a proficiency in Book-keeping depends upon a thorough knowledge of the principles of Journalizing.

## DAY BOOK—(Set 1.)

ATHABASKA, Que., JANUARY 1, 1901.

	STUDENT commenced business this day with the following resources:--		
1	Cash	1000	
	Merchandise	2500	6500
	----- 2 -----		
	Sold JAMES BLOWS for cash,		
1	25 lbs. Flour @ 8 $\frac{1}{2}$	150	
	1 " Granulated Sugar, 800 lbs. @ 4 $\frac{1}{2}$ c.	36	186
	----- 3 -----		
	Sold W. H. SMITH, on account,		
1	15 lbs. Flour @ 8 $\frac{1}{2}$	97 50	
	1 chest Tea, 10 lbs. @ 11 $\frac{1}{2}$ c.	19	116 50
	----- 4 -----		
	Bought of JAS. FORD & Co. for cash,		
1	25 lbs. Tea @ 8 $\frac{1}{2}$ c.	125	
	50 sacks Salt @ 8 $\frac{1}{2}$ c.	55	180
	----- 5 -----		
	Bought of THOMAS WATSON, on account,		
1	25 lbs. Flour @ 8 $\frac{1}{2}$ c.	600	
	25 sacks Coal @ 5 $\frac{1}{2}$ c.	690	1290
	----- 7 -----		
1	Received of W. H. SMITH in full		116 50
	----- 8 -----		
1	Bought for cash four tons Coal		25
	----- 9 -----		
	Sold JAMES BLYNN for cash,		
1	16 lbs. Tea @ 11 $\frac{1}{2}$ c.	190	
	27 sacks Salt @ 1 25	33 75	
	14 lbs. Lard @ 8 $\frac{1}{2}$ c.	120	
	10 sacks Coal @ 2 $\frac{1}{2}$ c.	560	1203 75
	----- 10 -----		
1	Paid TH. WATSON cash, on account		600
	----- 11 -----		
1	Paid cash for a Safe for office		175

Check every transaction as soon as you have journalized it

DAY BOOK—(Set I.)  
ARTHABASKA, Que., JANUARY 12, 1904.

STUDENT drew cash from the business		\$25
----- 11 -----		
Sold MARTIN & Co., on account		
5 bbls. Lard @ \$29.50	147 50	
8 sacks Salt @ \$1.32	10 56	
3 bbls. Beef @ \$22.	66	224 06
----- 15 -----		
Sold Wm. JOHNSON for cash,		
28 bbls. Flour @ \$7.		196
----- 15 -----		
Paid rent of Store in cash		40
----- 16 -----		
Bought of JOHN SMITH for cash,		
48 bbls. Sugar, 9,600 lbs. @ 16.		384
----- 17 -----		
Sold JOHN MITCHELL for cash,		
5 bbls. Sugar, 1,000 lbs. @ 10½c.		55
----- 18 -----		
Sold MARTIN & Co. on account,		
15 bbls. Sugar @ \$19.59	157 50	
8 " Lard @ \$23.	208	
4 sacks Coffee, 800 lbs. @ 27c.	216	581 50
----- 20 -----		
Sold THOS. ROBINSON on account,		
17½ lbs. Maple Sugar @ 18c.	31 50	
54 doz. Eggs @ 27c.	14 50	
5½ lbs. Butter @ 27c.	15 93	
128 " Cheese @ 11c.	17 92	78 85
----- 21 -----		
Paid THOMAS WAUGH cash in full		690
----- 23 -----		
Sold THOS. ROBINSON, on account,		
56 lbs. Butter @ 25c.	14	
2 boxes Raisins @ \$3.	6	
4 " Dates @ \$3.75	15	
3 " Prunes @ \$4.25	12 75	
5 " Crackers @ \$2.	10	53 75

DAY BOOK—(SET I)  
 ARTHABASKA Que., JANUARY 24, 1904.

Received cash of MARTIN & Co.		224 06
----- 25 -----		
Received cash of T. ROBINSON in full acct.		78 85
----- 26 -----		
Sold THOS. SEYMOUR for cash, 20 lbs. Sugar, 4 000 lbs. @ 5½c.		220
----- 27 -----		
Rec'd cash of MARTIN & Co., on account		200
----- 28 -----		
Sold JAMES COOK for cash, 2 bbls. Sugar @ \$12. 1 sack Coffee 100 lbs. @ 27c. 1 bbl. Beef @ \$19.	24 54 19	97
----- 31 -----		
Rec'd. cash of MARTIN & Co. in full		381 50
----- 31 -----		
Pa'd expenses in Cash as follows :		
Clerk hire (Wages.)	75	
Gas bill	12	87
-----		
INVENTORY taken Jan. 31, 1894:		
12 bbls. Beef @ \$21.	\$252.	
15 sacks Salt @ 1.	15.	
12 bbls. Lard @ 30.	360.	
6 " Sugar @ 11.	66.	
Sundry articles valued at	1500.	2193
Safe for office		175

You are now supposed to have copied in your Day Book the foregoing transactions. The next step is to make the

### *Journal.*

Rules for Journalizing will be given in the different sets. You must study these rules attentively, and remember that your proficiency in Book-keeping will depend upon a thorough acquaintance with the principles of Journalizing.

### *Stock.*

Stock is the title of account usually employed to represent the person conducting a business. Whatever property a person invests in business must be made

*Dr. To Stock.*

Suppose you invest cash; your Journal entry will read

*Cash Dr. To Stock.*

Stock must be debited for all that you owe when you commence business. If, when you commence business, you owe John Brown, your Journal entry must read

*Stock Dr. To John Brown.*

### *Merchandise.*

MERCHANDISE is Debited when bought, and Credited when it is sold.

### *Cash.*

CASH is Debited when it is received. Cash is Credited when it is paid out.

### *Expense.*

EXPENSE account is debited for all expenses incurred in carrying on the business. Gas, fuel, clerk hire, rent, etc., are generally included under the title Expense.

### *Persons.*

PERSONS are Debited when they get into our debt or when we get out of their debt.

Persons are Credited when we get into their debt, or when they get out of debt.

From the above rules it is easy to see that

The RECEIVER, or the THING RECEIVED, is Dr. to the GIVER, or the THING GIVEN.  
and

What I RECEIVE is Dr. to what I GIVE.

*With this preparation we will now make the Journal for January.*



# JOURNAL—(Set 1.)

ARTHABASKA, QUE., JANUARY 1, 1904.

1	Cash	<i>Dr.</i>	\$4000	
1	Merchandise		2500	
1		<i>To Stock.</i>		6500
<p>Cash and Mdse are debited to you for their value. Stock (<i>yourselt</i>) is credited for the value of the investment.</p>				
----- 2 -----				
1	Cash	<i>Dr.</i>	186	
1		<i>To Merchandise</i>		186
<p>Cash is debited because it is received. Mdse is credited because it is sold, or given out.</p> <p>Ask yourself the questions: "What have I received?" "What have I given?" and remember that "what I receive is Dr. to what I give."</p>				
----- 3 -----				
1	W. H. SMITH	<i>Dr.</i>	146.50	
1		<i>To Merchandise.</i>		146.50
<p>W. H. SMITH bought Mdse on credit; therefore he owes you. Mdse is debited because it has been sold.</p>				
----- 4 -----				
1	MERCHANDISE	<i>Dr.</i>	120	
1		<i>To Cash.</i>		120
<p>Mdse has been bought; it is therefore Debited; Cash was paid on, and is Credited.</p>				
----- 5 -----				
	MERCHANDISE	<i>Dr.</i>	1290	
		<i>To Thomas Walsh.</i>		1290
<p>Mdse is debited because it was bought. Walsh is credited because he was not paid for the Mdse. Remember that:</p> <p>The receiver or the thing received, is Dr. to the giver or the thing given.</p>				

Check every item in immediately after posting it.

JOURNAL—(SET I.)  
ARTHABASKA, Que., JANUARY 7, 1901.

CASH	<i>Dr.</i>	\$116 50	
	<i>To W. H. Smith.</i>		\$116 50
Cash is debited because it is received: W. H. Smith is credited because he pays his debt.			
----- 8 -----			
EXPENSE	<i>Dr.</i>	25	
	<i>To Cash.</i>		25
Expense is debited because it costs value: Cash is credited because it is paid out.			
----- 8 -----			
CASH	<i>Dr.</i>	1203 75	
	<i>To Merchandise.</i>		1203 75
See Ex. of January 2.			
----- 10 -----			
THOS. WALSH	<i>Dr.</i>	600	
	<i>To Cash</i>		600
When you bought Mdse from Thos. Walsh you did not pay him. In your books you made him Cr. for the value of the Mdse. Now that you pay him \$500, you must debit him for that sum. Cash is credited because it is paid out.			
----- 11 -----			
EXPENSE	<i>Dr.</i>	175	
	<i>To Cash.</i>		175
See Ex. of Jan. 8.			
----- 12 -----			
PERSONAL EXPENSES	<i>Dr.</i>	25	
	<i>To Cash.</i>		25
Whatever costs must be debited. These personal expenses cost you value, and must be debited. Cash, being paid out, is credited.			
----- 14 -----			
MARTIN & CO	<i>Dr.</i>	224 06	
	<i>To Mdse.</i>		224 06
See Jan. 3.			

JOURNAL - (SET I)

ARTHABASKA, Que., JANUARY 15, 1904.

For Check you may use the page of the Ledger.

18	CASH	<i>Dr.</i>	\$196	
17		<i>To Mlse.</i>		\$196
	See Jan. 2.			
----- 15 -----				
19	EXPENSE	<i>Dr.</i>	10	
18		<i>To Cash.</i>		40
	See Jan. 8.			
----- 16 -----				
17	MERCHANDISE	<i>Dr.</i>	384	
18		<i>To Cash.</i>		384
	See Jan. 1.			
----- 17 -----				
	CASH	<i>Dr.</i>	55	
		<i>To Merchandise.</i>		55
	See Jan. 2.			
----- 18 -----				
	MARTIN & Co.	<i>Dr.</i>	581 50	
		<i>To Merchandise.</i>		581 50
	See Jan. 3.			
----- 20 -----				
	THOS. ROBINSON	<i>Dr.</i>	78 85	
		<i>To Merchandise.</i>		78 85
	See Jan. 3.			
----- 21 -----				
	THOS. WALSH	<i>Dr.</i>	690	
		<i>To Cash.</i>		690
	See Jan. 10.			
----- 23 -----				
	THOS. ROBINSON	<i>Dr.</i>	53 75	
		<i>To Merchandise</i>		53 75

JOURNAL- (SET I.)  
ARTHABASKA, P. Q. JANUARY 24, 1904.

Cash	<i>Dr.</i>	\$224 06	
	<i>To Martin &amp; Co.</i>		\$224 06
<p style="margin-left: 20px;">Cash is debited because it is received. When Martin &amp; Co. bought the Mdse. you made them Dr. for the value of the Mdse. Now that they pay you, you must credit them.</p>			
25			
CASH	<i>Dr.</i>	78 85	
	<i>To Thomas Robinson.</i>		78 85
See preceding example.			
26			
CASH	<i>Dr.</i>	220	
	<i>To Merchandise.</i>		220
27			
CASH	<i>Dr.</i>	200	
	<i>To Martin &amp; Co.</i>		200
See Jan. 24.			
28			
CASH	<i>Dr.</i>	97	
	<i>To Merchandise.</i>		97
31			
CASH	<i>Dr.</i>	381 50	
	<i>To Martin &amp; Co.</i>		381 50
See Jan. 24.			
31			
EXPENSE	<i>Dr.</i>	87	
	<i>To Cash.</i>		87
See Jan 8.			

## THE LEDGER.

The **LEDGER** is the most important of a set of Account Books. Its object is to collect under one head all the sums belonging to the same account. Transferring the debits and credits from the Journal to the Ledger is called **Posting**.

The method of making the Ledger will now be shown you. Follow these instructions attentively, and you will have no difficulty in learning this important part of the science of Book-keeping.

The first transaction in your Journal reads "Cash and Mdse. Dr. to Stock. Open an account for Stock. In your Journal, Stock is Cr. \$6,500. On the Cr. side of Stock write "By sundries \$6,500." (*Sundries* means general). Check Journal.

Open an account for Merchandise. By referring to your Journal you will see that Merchandise is Dr. to Stock \$2,500. On the Dr. side of Merchandise write "To Stock \$2,500." Open next an account with Cash. In the Journal, Cash is Dr. to Stock \$4,000. In your Ledger on the Dr. side write "To Stock \$4,000." Check.

The next transaction in the Journal reads: Cash Dr. To Merchandise \$186. In the Cash account of your Ledger write on the Dr. side: "To Mdse. \$186." In the Merchandise account write: "By Cash \$186." Be faithful to check.

The entry for January 3 reads: W. H. Smith Dr. To Merchandise \$146.50. Open an account with W. H. Smith, and on the Dr. side write "To Mdse. \$146.50." On the Cr. side of the Merchandise account write "By W. H. Smith, \$146.50."

Continue in this way throughout the month, opening new accounts when necessary. The small column before the Dollar column is for the page of the Journal.

### LEDGER.—(Set 1.)

Dr.	STOCK.				Cr.
Jan. 31	Balance	6904 41	1901. Jan. 1	By Sundries	12 6500
			" 31	" Loss & Gain	104 11
		6904 41			6904 11

Dr.	MARTIN & CO.				Cr.
1901. Jan. 11	To Mdse.	13 221 05	1901. Jan. 24	By Cash	15 221 06
" 18	" " \$05 56	14 581 50	" 27	" "	15 200
			" 31	" " \$05 56	15 381 50
		805 56			805 56

DR.

## MERCHANDISE.

CR.

1904.				1904.			
Jan.	1	To Stock	14 2500	Jan.	2	By Cash	14 186
"	4	" Cash	14 480	"	3	" W. H. Smith	14 146 50
"	5	" Thos. Walsh	14 1290	"	8	" Cash	15 1203 75
"	16	" Cash	16 384	"	14	" Martin & Co.	15 224 08
"	13	To Loss & Gain <sup>4654.</sup>	581 41	"	15	" Cash	196
				"	17	" "	55
				"	18	" Martin & Co.	581 50
				"	20	" T. Robinson	78 85
				"	23	" " "	53 75
				"	26	" Cash	220
				"	28	" "	97
				"	31	By Inventory <sup>3042.41</sup>	2198
			5235 41				5235 41

DR.

## PERSONAL EXPENSES.

CR.

1904.				1904.			
Jan.	12	To Cash	25	Jan.	31	By Loss & Gain	25

DR.

## T. ROBINSON.

CR.

1904.				1904.			
Jan.	20	To Misce	78 85	Jan.	25	By Cash	78 85
"	23	" "	53 75	"	31	" Balance	53 75
		132 60	132 60				132 60

DR. CASH CR.

1904.					1904.				
Jan.	1	To Stock	4000		Jan.	4	By Mdse	480	
"	2	" Mdse	186		"	8	" Expense	25	
"	7	" W. H. Smith	146 50		"	10	" T. Walsh	600	
"	8	" Mdse	1203 75		"	11	" Expense	175	
"	15	" "	196		"	12	" Personal Expenses	25	
"	17	" "	55		"	15	" Expense	40	
"	24	" Martin & Co	224 06		"	16	" Mdse	384	
"	25	" T. Robinson	78 85		"	21	" T. Walsh	600	
"	26	" Mdse	220		"	31	" Expense	87	
"	27	" Martin & Co	200		"	"	" Balance	2506 00	<b>4482 66</b>
"	28	" Mdse	97						
"	31	" Martin & Co	381 50						
		6988 66							6988 66
			6988 66						

DR. W. H. SMITH. CR.

1904.				1904.			
Jan.	3	To Mdse	146 50	Jan.	7	By Cash	146 50

DR. THOS. WALSH. CR.

1904.				1904.			
Jan.	10	To Cash	600	Jan.	5	By Mdse	1290
"	21	" "	690				
			1290				1290

DR		EXPENSE.		CR.	
1904.			1904.		
Jan. 8	To Cash	25	Jan. 31	By Inventory	175
" 11	" "	175	" "	" Loss & Gain	152
" 15	" "	40			
" 31	" "	87			
		327			327

DR		LOSS AND GAIN.		CR.	
1904.			1904.		
Jan. 31	To Expense	152	Jan. 31	By Mdse	581 41
" "	" Personal Expenses	25			
" "	" Stock (Net Gain)	404 41			
		581 41			581 41

DR.		BALANCE ACCOUNT		CR.	
1904.			1904.		
Jan. 31	To Cash	4482 06	Jan. 31	By Stock (Net Cap.)	6904 41
	" Mdse (Inv.)	2193			
	" Expense (Inv.)	175			
	" T. Robinson	53 75			
		6904 41			6904 41

In making the Ledger you noticed that every item is entered into two accounts. In one account it is debited; in the other it is credited. The sum of the Dr. items must, therefore, equal the sum of the Cr. items. Having posted the transactions, you are now ready to make a

### TRIAL BALANCE.

Add up the debit and credit side of each account, and place the amounts to the left of the dollar columns, with a pencil. Now rule a piece of paper, as shown in the example:



## TRIAL BALANCE.

	AMOUNTS.				DIFFERENCES.			
	DR.		CR.		DR.		CR.	
Stock,			6500				6500	
Cash,	6988	66	2506		4482	66		
Merchandise,	4654		3042	41	1611	59		
W. H. Smith	146	50	146	50				
T. Walsh,	1290		1290					
Expense,	327				327			
Martin & Co.,	805	56	805	56				
T. Robinson,	132	60	78	85	53	75		
Personal Expenses,	25				25			
	14,369	32	14,369	32	6500	00	6500	

In the column marked Dr. place the amounts of the Dr. side of the Ledger opposite the title of the account. In the column marked Cr. place the amounts of the Cr. side opposite the title of the account. Find the differences between the amounts, and place these differences in the columns marked "Differences." Add up, and if the Dr. and Cr. footings are the same, you may presume that your work is correct.

But a Trial Balance does not prove that the work is absolutely correct, as errors may be made which will not change the equality of the Ledger, such as posting to the wrong account, errors in Journalizing, etc., etc. However, the equality of the footings of the Trial Balance is generally regarded as an evidence that the Ledger is correct.

*Closing the Ledger.*

The Trial Balance being made, we must now close the Ledger. Closing the Ledger is the transferring of the losses and gains from the accounts which show a loss or a gain to the Loss and Gain, and the balance of this account to the Stock Account; it also consists in transferring to a single account, called Balance Account, our Resources and Liabilities and Net Capital.

Open two new accounts in your Ledger, viz.: Balance Account and Loss and Gain.

On the Dr. side of your Balance Account, place your Resources, - Cash, Merchandise per Inventory, Expense per Inventory, etc. On the Cr. side place your Liabilities, or sums that you owe.

The Loss and Gain, as the name implies, shows your losses and gains. On the Dr. side place your losses; on the Cr. side place your gains.

With your Trial Balance before you, we will make these accounts.

The first account in the Trial Balance is Stock; this account will be closed last.

The second account is Cash. The amount of cash received during the month is \$6988.66. The amount of cash paid out is \$2506, leaving a balance of cash on hand \$4482.66. Place this amount on the Dr. side of your Balance Account. Now turn to the Cash Account, and on the Credit side write in red ink **By Balance \$4482.66**. Draw a red line, bring down the amount of the debit and credit columns, and rule as shown in the Ledger.

## MERCHANDISE.

The Merchandise per Inventory is \$2193. Place this amount on the Dr. side of your Balance Account. In the Merchandise Account on the Credit side write in red ink: **By Bal. per Inventory, \$2193**. The Dr. side of your Merchandise shows the cost; the Cr. side shows the sales. Add the sales and the Mdse. per Inv. If the amount is greater than the purchases, you have gained; if smaller, you have lost.

Sales,	\$3042.41
Mdse. per Inv.,	2193.
	\$5235.41
Purchases,	4654
	\$581.41 gain.

In your Loss and Gain, on the Cr. side, write **By Mdse. \$581.41**. Turn once more to the Merchandise Account, and on the Dr. side write in red ink **To Loss and Gain, \$531.41**. Add up both columns and rule as when you closed the Cash Account.

The Trial Balance shows that the accounts of W. H. Smith, Thomas Walsh, and Martin & Co. have been settled. These names, therefore, do not go into your Balance Account, since that account is made to show who owes us, or to whom we owe.

Thos. Robinson is Dr. \$132.60, and Cr. \$78.85; he owes, therefore, \$53.75. This debt is a resource for you. Consequently, on the Dr. side of your Balance Account write, "To Thomas Robinson, \$53.75"; and on the Cr. side of his account write in red ink, "**By Bal. \$53.75.**" Add up, and rule.

Our next Account in the Trial Balance is "Expense." We see that it is Dr. \$327. Expense is a loss. But you did not lose \$327 during January. The safe you bought, for which you paid \$175, is still worth that sum. Debit the Balance Account "**To Expense per Inv., \$175.**" On the Cr. side of Expense Account write in red ink: **By Bal. per Inv., \$175.** Your Expense Account now stands Dr. \$327, and Cr. \$175, thus showing a loss of \$152. Go to your Loss & Gain, and on the Dr. side write, "**To Expense, \$152.**" In the Expense Account, on the Cr. side, write in red ink: "**By Loss and Gain, \$152.**" Add, and rule.

Our next account is Personal Expenses. These expenses are, of course, a loss. On the Dr. side of Loss and Gain, write, "**To Expense, \$25,**" and on the Cr. side of the "Personal Expenses" Account, write in red ink: "**By Loss and Gain, \$25.**" Rule.

Your Loss & Gain now shows that you have gained on Merchandise \$531.41, and that you have lost by Expenses \$177; your net gain for the month is \$404.41. On the Dr. side of Loss & Gain, write in red ink, "**To Stock, 404.41.**" Add up, and rule.

Stock must now be closed. On the Cr. side of Stock write "By Loss & Gain, \$404.41." Stock is now credited \$6904.41; this sum is your net capital.

On the Dr. side of Stock write in red ink, "To Bal. \$6904.41." Add, and rule. On the Cr. side of Balance Account write, "By Stock, \$6904.41." Add, and rule, and your Ledger is closed.

### REMARKS.

In the Journal and Ledger, the title of your account is Stock. Instead of using this title, you may, if you prefer, use your name. The Journal entry will then read,

*Sundries Dr. to Student.*

### CASH.

Cash is Dr. when received, and Cr. when given out. To understand this, you may suppose that the name of your safe is Cash.

When you put money into the safe, it owes you the amount; when you take out money, you owe it.

In other words:—

*The receiver is Dr. to the giver.*

### MERCHANDISE.

Merchandise is Dr. when you buy it; it is Cr. when you dispose of it.

The Merchandise that you have on hand when you commence business must also be made Dr., for it has cost you.

### SET FOR PRACTICE.

You have made your first month of Book keeping. It is hoped that you have paid strict attention to the explanations given, and that you feel competent to make a month embracing the same peculiarities as the set in the text.

Throughout the book numerous

### EXAMPLES FOR PRACTICE

will be given you. The explanations will assist you; but you should bear in mind that if you wish to make rapid progress you must, as much as possible, rely upon your reasoning powers.

In making the set now given you, copy the Day Book, find the amounts, and Journalize it. After having had your Journal examined by your teacher, make the Ledger and take a Trial Balance. If the Trial Balance is right, close your Ledger.

If your work is correct, your gain for the month will agree with the result given at the end.

### MEMORANDA.

JANUARY 1.—Student commences business this day with the following Resources :  
—Merchandise, \$3600; Cash, \$3400. (2.) Sold John Brown, on account, 25 bbls. Flour @ \$7.50; 20 bbls. Potatoes @ \$2.50; 50 bushels Peas @ 90c. (3.) Bought of

Wm. Warren, on %, 370 bush. Oats @ 40c. (4.) Bought of Joseph Hill, on %, 15 bbls. Pork @ \$25; 18 bbls. Sugar, 3600 lbs. @ 6c. (5.) Paid cash for 6 tons of Coal, \$36. (7.) Sold Wm. Cook, on %, 370 bushels Oats @ 52c. (8.) Sold John Brown, on %, 8 bbls. Pork @ \$30; 7 bbls. Sugar, 1400 lbs. @ 8c. (9.) Paid Wm. Warren cash in full. (10.) Paid Joseph Hill cash on %, \$175. 11. Sold John Smith for cash, 7 bbls. Pork @ \$28; 2 sacks Rio Coffee, 280 lbs. @ 29c.; 10 bbls. Sugar, 2000 lbs. @ 8c. (12.) Sold John Brown, on %, 25 bbls. Potatoes @ \$2.75; 3 bbls. Pork @ \$30. (14.) Student drew cash for private use \$15. (15.) Paid Joseph Hill cash on %, \$250. (16.) Received cash of John Brown, on %, \$175. (17.) Bought of Joseph Hill, on %, 20 bbls. Beef @ \$18.50; 25 bbls. Flour @ \$6.50. (18.) Paid cash to Thomas Carpenter for repairing office, \$28.50. (19.) Sold James Jones for cash, 9 bbls. Beef @ \$22; 12 bbls. Flour @ \$7.75; 5 bbls. Sugar, 1000 lbs. @ 8c. (19.) Paid rent of Store in cash, \$35. (20.) Paid Joseph Hill cash on %, \$150. 21. Received cash of Wm. Cook in full. 22. Sold Chas. Barker for cash 4 bbls. Sugar \$60 lbs. @ 8c.; 2 bbls. Flour @ \$8.25; 1 hhd. Molasses, 63 gallons @ 75c. 23. Paid cash for a safe for office use, \$150. 24. Bought of Joseph Hill, on %, 20 bbls. Apples @ \$2.50; 5 sacks Rio Coffee, 1000 lbs. @ 25c.; 4 caddies Y. H. Tea, 156 lbs. @ 52c. 25.) Sold R. C. Spencer, on %, 8 bbls. Apples @ \$3; 2 sacks Coffee, 200 lbs. @ 30c.; 1 caddy Y. H. Tea, 39 lbs. @ 60c. (27.) Paid Joseph Hill cash to balance account. (28.) Sold John Brown, on %, 10 bbls. Apples @ \$2.75; 3 sacks Coffee, 600 lbs. @ 27c.; 8 bbls. Flour @ \$7.75. (28.) Received cash of John Brown, on %, \$200. 29. Sold R. C. Spencer, on %, 6 bbls. Flour @ \$8.75; 5 bbls. Potatoes @ \$3; 5 bbls. Apples @ \$3.25. (30.) Rec'd cash of R. C. Spencer, on %, \$75. (31.) Sold Wm. White for cash, 3 bbls. Apples @ \$3; 6 bbls. Potatoes @ \$3.25; 2 bbls. Sugar @ \$16. 31 Paid expenses in cash as follows: Clerk hire, \$50; Gas Bill, \$6.75; Advertising, \$15.

### TRIAL BALANCE.

	Dr. AMOUNTS. Cr.				Dr. DIFFERENCES. Cr.				
Student,			7000					7000	
Cash,	5038	85	1988	87	3049	98			
Merchandise,	5252	62	2424	75	2827	87			
Personal Expenses,	15				15				
R. C. Spencer,	191	15	75		116	15			
Store Expenses,	321	25			321	25			
John Brown,	1044	75	375		669	75			
	11,863	62	11,863	62	7000	60		7000	

### INVENTORY

The Merchandise unsold is estimated at \$3,400.

The safe is valued at \$150.

Your gain during the month must be \$385.88.

## ERRORS IN TRIAL BALANCES.

If your Trial Balance does not prove right, the error or errors may generally be detected by one of the following ways :

1° Add again both sides of each account and see that all the footings<sup>x</sup> are correctly carried into the Balance.

2° Find the difference out of equilibrium, and look for that difference or half of it through your Journal. If found, see that it was properly posted.

3° When the difference can be divided by 9, the error (if single) is generally a transposition of figures : \$78.50 for \$87.50, etc.

4° Review the posting, checking by a dot (.) in the Ledger all items duly posted.

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Set II  
**DAY BOOK, JOURNAL, LEDGER.**  
**PROMISSORY NOTES AND CHECKS**

A Promissory Note is a written promise which one person makes to pay another a certain sum of money at the end of a specified time, or on demand.

A Promissory Note made in your favor by another person is for you a Bill Receivable.

A Promissory Note made by you in favor of another person is for you a Bill Payable.

**BILLS RECEIVABLE.**

A Bill Receivable is then a promissory note which you hold against another person.

The party may make a note in your favor, or he may indorse in your favor a note which he holds against a third person.

— FORM I. —

$\$125^{\frac{00}{100}}$

*Arthabaska, Feb. 3, 1904.*

*Ten days after date, I promise to pay to  
 College Student, or bearer, One Hundred and Twenty-five  
 Dollars, at the College Bank, value received.*

*John Mason.*

— FORM II. —

$175^{\frac{00}{100}}$

*Arthabaska, Feb. 10, 1904.*

*Three months after date, I promise to pay  
 to Joseph Smith or order, One Hundred and Seventy-five  $^{\frac{00}{100}}$   
 Dollars, at the College Bank, value received.*

*John Brown.*

Transactions into which Bills Receivable enter are now given to show the method of journalizing them.

## — (1) —

Sold John Mason, on his note at 10 days, merchandise for \$125.  
The Journal entry of this transaction is,

Bills Receivable, Dr. \$125.

To Merchandise, \$125.

## EXPLANATION.

The note which you receive from John Mason is for you a Bill Receivable : it is you who are to receive the money he promises to pay. But this note, this Bill Receivable, has cost you value : it is, therefore, Dr. Merchandise has produced value in giving you this note : hence it is Cr.

## — (2) —

John Mason gives you \$125 in cash for the note you hold against him.

Journal entry :

Cash Dr. \$125.

To Bills Receivable, \$125.

## EXPLANATION.

Cash is debited because it is received. Now, what has caused you to receive this cash? Evidently the promissory note he gave you, and which note you called a Bill Receivable. This Bill Receivable has then produced value, and must, consequently, be credited.

## — (3) —

Sold Joseph Smith, merchandise, for \$175.25.

Received in payment a note made in his favor by John Brown.

Journal entry :

Bills Receivable Dr. \$175.25

To Mdse, \$175.25.

## EXPLANATION.

Mdse. has produced value and must be credited. The note made by John Brown was for Joseph Smith a Bill Receivable. The question might now be asked : "Is Joseph Smith bound to keep this note until the expiration of the three months, the specified time?" No. The note is made payable to Joseph Smith or his order,—that is, to the person to whom Smith orders the money to be paid. Joseph Smith then can transfer the note, or, to use a more common expression, he can sell the note.

The transaction says that he did transfer the note to you ; but to transfer it he had to write on its back :

" Pay to College Student or order,

Joseph Smith."

The note is now yours ; it is a Bill Receivable for you. It has cost you value, and is thereby Dr.

— (4) —

Bought Merchandise of Geo. Jones for \$125, Gave in payment John Mason's note in my favor.

Journal Entry :

Merchandise Dr. \$125.  
To Bills Receivable \$125.

Merchandise is Dr. because it has cost value.

The promissory note which we hold against John Mason is a Bill Receivable. Now, this Bill Receivable has produced value, since it buys for you the Merchandise ; it must then be credited.

A Bill Receivable is Dr. when it costs value, and Cr. when it produces value. In others words :—

Debit a Bill Receivable when you receive it, and credit it when it is paid or disposed of.

### BILLS PAYABLE.

As already defined, a Bill Payable is a promissory note which another person holds against you.

— Form III. —

\$175.00

Athabaska, Feb. 15, 1904.

Five days after date I promise to pay to Chas. Jackson & Bro. or order, One Hundred and Seventy-five Dollars at the College Bank, value received.

College Student.

This note which you have issued or given out is for Chas. Jackson & Bro., a Bill Receivable, for it is they who are to receive the money you promise to pay. For you, however, it is a Bill Payable, since you are to pay it.

— (1) —

In the transaction recorded in the Day Book for Feb. 15, you buy Merchandise of Chas. Jackson & Bro., and give your note in part payment.

The Journal entry is,

Merchandise Dr.  
To Bills Payable.

Merchandise is Dr. because it costs. The note which you have given is taken as a partial payment for the value of the Merchandise. This note has produced value, and must be credited.

— (2) —

Paid my note in favor of Chas. Jackson & Bro. in Cash,

Journal Entry :

Bills Payable Dr,  
To Cash.

Cash is credited because it is paid out. Bills Payable is debited because it costs value ; it is on account of the note Jackson & Bro. hold against you that you had to pay out cash.



A Bill Payable, then, is credited when it produces value, and debited when it costs value.

In other words :—

Credit a Bill Payable when it is issued or given out, and debit it when it is redeemed or paid.

### CHECKS.

A check is an order on the Bank in which a person has money to pay a specified sum to the bearer, to a person named therein or to his order.

— Form IV. —

No. 1.		
Feb. 5. Deposited, \$1500. :		<i>Arthabaska, Feb. 6, 1904</i>
" 6.                    \$117. :	<i>Molson's Bank, pay to</i>	
	<i>R. Booth, or order,</i>	
	<i>One Hundred and Seventeen Do'lars.</i>	
Paid R. Booth	:	
for Mdse.	: \$117. <sup>00</sup> <sub>100</sub>	<i>College Student.</i>

By referring to the transaction of Feb. 5, you will see that you deposit \$1500 in the College Bank. The bank, therefore, owes you this amount.

On Feb. 6, you order the Bank to pay out \$117 to R. Booth for the merchandise you bought of him. If the Bank is debited for your deposits, it is natural to conclude that it must be credited when it pays your debts. Hence, the following :

Debit the Bank when you deposit money, and credit it when you order it to make payments for you.

### RECAPITULATION.

Debit Cash when you receive or invest it. | Credit Cash when you pay it out.

Debit Merchandise when you buy it or | Credit Merchandise when you sell it.  
invest it. |

Debit Expense for its cost. | Credit Expense when you sell anything  
| you termed expense.

Debit a Bill Receivable for its cost, or | Credit a Bill Receivable when it is paid,  
when you receive or invest it. | or you dispose of it.

Debit a Bill Payable when you redeem  
it or pay it.

Credit a Bill Payable when you issue or  
give it out.

Debit yourself for all your Liabilities  
when you commence business.

Credit yourself for your Resources when  
you commence business.

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After having posted the Journal entries make a Trial Balance. If the footings of the Trial Balance are equal, proceed to close your Ledger. Open two new accounts, Balance Account and Loss and Gain.

All accounts showing a loss or a gain close into the Loss and Gain, the losses being placed on the Dr. side, the gains on the Cr. side. The Loss & Gain Account must close into your own account.

All accounts showing a resource or a liability must be placed in the Balance Account, the resources on the Dr. side, the liabilities on the Cr. side. Your own account must close into the Balance Account. If your resources are greater than your liabilities your name will be on the Cr. side of Balance Account ; if, however , your liabilities are greater than your resources, your name will be on the Dr. side.

## ARTHABASKA, QUE., FEBRUARY 1, 1901.

1 STUDENT, commence business this day with the following Resources and Liabilities:—		
RESOURCES.		
Cash	\$3200	
Merchandise	2800	
A note against JNO. JONES, due Feb. 8	425 75	
JNO. MASON owes on acc.	581	\$7006 75
LIABILITIES.		
I owe as follows:—		
RICHARD WEBSTER	382	
WILLIAM BLACK	314 25	
DAVID BAILEY holds a note against me for	798 75	1495
2		
Bought of JOHN EDWARDS:		
25 bbls. Flour @ \$6.50	162 50	
25 bbls. Mess Pork @ \$19.75	493 75	
18 bbls. Sugar 3600 lbs. @ 5c.	180	836 25
Gave in part payment Cash		312 50
The balance charged on acc.		493 75
3		
Sold JOHN MASON:—		
14 bbls. Flour @ \$7 50	105	
12 boxes Tea @ \$19	228	
5 " Tobacco @ 15.	75	408
Rec'd in part payment his note @ 10 days.		125
The Balance charged to his acc.		283
4		
Sold W. M. LYMAN on his note @ 30 days:—		
12 bbls. Flour @ \$8.	96	
5 " Apples @ \$4.50	22 50	
7 boxes Dates @ \$3.25	22 75	141 25
5		
Deposited Cash in College Bank		
		1500
5		
Sold W. H. BILLINGS for Cash:—		
125 bushels White Wheat @ 60c.	75	
280 " Oats @ 52c.	145 60	220 60
6		
Bought of R. BOOTH, per check:—		
18 doz. Cans Apples @ \$2.25	40 50	
18 " " Peaches @ \$2.50	45	
18 " " Tomatoes @ \$1.75	31 50	117

ARTIABASKA, QUE., FEBRUARY 6, 1904.

Paid Cash for a Set of Books		\$15
3		
Sold JOHN MASON :—		
15 bbls. Mess Pork @ \$23.	\$345	
12 " Sugar, 2400 lbs. @ 7c.	168	
16 " Flour @ \$3.75	140	653
Received in part payment :—		
Cash		300
His note at 5 days		175
The balance charged on acc.		178
8		
JOHN JONES has this day paid his note in cash		425 75
9		
Sold WM. ADAMS for cash :—		
3 doz. cans Apples @ \$3.25	9 75	
4 " " Peaches @ \$3.	12	
7 " Tomatoes @ \$2 75	19 25	41
9		
Bought of T. PORTER on my note @ 10 days :—		
3 hbls. Molasses, 270 gallons @ 40c.	108	
12 boxes Valencia Raisins @ \$2 25	27	
5 bbls. California Wines, 200 gallons @ 65c.	130	265
10		
Received Cash of JNO. MASON, on %.		425
10		
Sold JOHN BROWN on his note @ 5 days :—		
12 buckets Raspberry Jelly, 360 lbs. @ 9c.	32 40	
12 " " Blueberry " 360 lbs. @ 12c.	43 20	
12 " " Blackberry " 360 lbs. @ 8c.	28 80	104 40
11		
Paid Cash, on %, as follows :—		
WM. BLACK	150	
RICHARD WEBSTER	125	
JOHN EDWARDS	200	475
12		
Sold CHAS. BOWMAN, for cash :—		
8 doz. Cans Apples @ \$3.40	27 20	
5 " " Peaches @ \$3.15	15 75	
7 " " Corn @ \$1.50	10 50	
1 hhd. Molasses, 90 gallons @ 55c.	49 50	102 95

ARTIABASKA, QUE., FEBRUARY 13, 1904.

Sold HENRY NEWTON, on his note @ 3 days :—			
7 bbls. Sugar, 1400 lbs @ 8c.	\$112		
5 " Rice, 1500 lbs. @ 1c.	75		
6 " Beans, 1080 lbs. @ 1c.	43 20	\$230	20
----- 13 -----			
Paid cash for 5 tons of Coal			30
----- 15 -----			
Bought of CHAS. JACKSON & BRO. :—			
15 hhd. Molasses, 1500 @ 30c.	450		
18 bbls. Sugar, 3600 lbs. @ 5c.	180	630	
Gave in part payment :—			125
Cash			125
My note @ 5 days			380
The balance on "			

## JOURNAL.

ARTIABASKA, QUE., FEBRUARY 1, 1904.

CASH	\$3200		
MERCHANDISE	2800		
BILLS RECEIVABLE	425 75		
JOHN MASON	581		
<i>Dr.</i>			
<i>To Student.</i>			\$7006 75
As in the opening entry for the month of January, Student is credited for the amount of his investment, and the different items composing the investment are indebted to him for the value.			
----- 1 -----			
STUDENT		1495	
<i>Dr.</i>			
To RICHARD WEBSTER			382
" WM BLACK			314 25
" BILLS PAYABLE			798 75
Student is Dr. because he owes; Richard Webster and Wm. Black are credited because Student owes them.			
Bills Payable is credited because it has produced value.			
It may be that you borrowed money to the amount of \$798.75 on your note, or that you bought Merchandise of D. Bailey and gave him your note. The note has, therefore, produced value, and must be credited.			

ARTHABASKA, Que., FEBRUARY 2, 1904.

MERCHANDISE	<i>Dr.</i>	836 25	
	<i>To CASH</i> <i>" JOHN EDWARDS</i>		342 50 493 75
Mdse. is <i>Dr.</i> , because it is bought. <i>Cash</i> is <i>Cr.</i> , because it is paid out. <i>Jno. Edwards</i> is <i>Cr.</i> , because you owe him for that portion of the <i>Mdse.</i> you bought on credit.			
3			
BILLS RECEIVABLE JOHN MASON	<i>Dr.</i> <i>To MDSE.</i>	125 283	408
Bills Receivable is <i>Dr.</i> , because it has cost value in <i>Mdse.</i> <i>Jno. Mason</i> is <i>Dr.</i> , because he bought a portion of the <i>Mdse.</i> on credit. <i>Mdse.</i> is <i>Cr.</i> , because it is sold.			
4			
BILLS RECEIVABLE	<i>Dr.</i> <i>To MERCHANDISE</i>	141 25	141 25
Do not forget that "What I receive is <i>Dr.</i> to what I give."			
5			
COLLEGE BANK	<i>Dr.</i> <i>To Cash</i>	\$1500	\$1500
The College Bank is <i>Dr.</i> to you for the amount of your deposit.			
"			
CASH	<i>Dr.</i> <i>To Merchandise</i>	220 60	220 60
6			
MERCHANDISE	<i>Dr.</i> <i>To College Bank</i>	117	117
When you deposited money in the Bank you made the Bank <i>Dr.</i> for the amount of the deposit; now that the Bank pays out money for you, you must credit it. Hence, debit the Bank for your deposits, and credit it for the payments it makes for you.			
"			
EXPENSE	<i>Dr.</i> <i>To Cash</i>	15	15

ARTIABASKA, QUE., FEBRUARY 8, 1904.

CASH		300	
BILLS RECEIVABLE	<i>Dr.</i>	175	
JOHN MASON	<i>To Mdse.</i>	178	653
Cash and Bills Receivable are Dr., because they cost value in Mdse.; or, if you prefer, because they are received. Jno. Mason is Dr., because he purchased a portion of the Mdse. on credit.			
"			
CASH	<i>To Bills Receivable</i>	425.75	425.75
This note was debited when received, because it cost value. Now that it produces value in Cash, it must be credited. Therefore, a Bill Receivable is Dr. when received, and Cr. when redeemed or disposed of.			
9			
CASH	<i>To Merchandise</i>	41	41
"			
MDSE.	<i>To Bills Payable</i>	\$265	265
Mdse. is Dr. because it is bought. Bills Payable is Cr., because it produces value. A Bill Payable is credited when issued.			
10			
CASH	<i>To John Mason</i>	425	425
Jno. Mason was debited when he bought goods of you on credit: now that he pays a part of his debt, he must be credited for the amount he paid.			
"			
BILLS RECEIVABLE	<i>To Mdse.</i>	104.40	104.40
11			
WM. BLACK		150	
RICHARD WEBSTER		125	
JOHN EDWARDS		200	
	<i>To Cash</i>		475





DR.

CASH.

CR.

1904			1904				
Feb.	1	To Student	3200	Feb.	2	By Mdse	342 50
"	5	" Mdse.	220 60	"	5	" College Bank	1500
"	8	" "	300	"	6	" Expense	15
"	"	" Bills Receiv	425 75	"	11	" Sundries	475
"	9	" Mdse	41	"	13	" Expense	30
"	10	" John Mason	425	"	15	" Mdse	125
"	12	" Mdse	102 95	"	15	" Balance	2227 80
			4715 30				4715 30
Feb.	16	To Balance	2227 80				

DR.

JOHN MASON.

CR.

1904			1904				
Feb.	1	To Student	581	Feb.	10	By Cash	425
"	3	" Mdse	283	"	15	" Balance	617
"	8	" "	178				
			1042				1042
Feb.		To Balance	617				

DR.

## MERCHANDISE.

CR.

1904			1904				
Feb.	1	To Student	2800	Feb.	3	By Mdse	408
"	2	" Sundries	836 25	"	4	" Bills Rec'ble	141 25
"	6	" College Bank	117	"	5	" Cash	220 60
"	9	" Bills Payable	265	"	8	" Sundries	653
"	15	" Sundries	630	"	9	" Cash	41
"	15	" Loss and Gain	1253 15	"	10	" Bills Rec'ble	104 40
				"	12	" Cash	102 95
				"	13	" Bills Rec'ble	230 20
				"	15	" Inventory	4000
			5901 40				5901 40
Feb.	16	To Inventory	4000				

DR.

## BILLS RECEIVABLE.

CR.

1904			1904				
Feb.	1	To Student	425 75	Feb.	8	By Cash	425 75
"	3	" Mdse	125	"	15	" Balance	775 85
"	4	" "	141 25				
"	8	" "	175				
"	10	" "	104 40				
"	13	" "	230 20				
			1291 60				1291 60
Feb.	16	To Balance	775 85				

DR.		BILLS PAYABLE.		CR.	
1904			1904		
Feb. 15	To Balance	1188 75	Feb. 1	By Student	798 75
			" 9	" Mdse	265
			" "	" "	125
		1188 75			1888 75
			Feb. 16	By Balance	1188 75

DR.		RICHARD WEBSTER.		CR.	
1904			1904		
Feb. 10	To Cash	125	Feb. 1	By Student	382
" 15	Balance	257			
		382			382
			Feb. 16	By Balance	257

DR.		WILLIAM BLACK.		CR.	
1904			1904		
Feb. 10	To Cash	150	Feb. 1	By Student	314 25
" 15	" Balance	164 25			
		314 25			314 25
			Feb. 16	By Balance	164 25

CR.		JOHN EDWARDS.		CR.	
1904			1904		
Feb. 10	To Cash	200	Feb. 2	By Mdse	493 75
" 15	" Balance	293 75			
		493 75			493 75
			Feb. 16	By Balance	293 75

DR.		COLLEGE BANK.		CR.	
1904.				1904.	
Feb. 5	To Cash	1500		Feb. 6	By Mdse 117
				" 15	" Balance 1383
		1500			1500
Feb. 16	To Balance	1383			

DR.		EXPENSE.		CR.	
1904.				1904.	
Feb. 6	To Cash	15		Feb. 15	By Loss and Gain 45
" 13	" "	30			
		45			45

DR.		JACKSON & BRO.		CR.	
1904.				1904.	
				Feb. 15	By Mdse 380

DR.		BALANCE ACCOUNT.		CR.	
1904.				1904.	
Feb. 15	To Cash	2227 80		Feb. 15	By Bills Payable 1188 75
" "	" Mdse (Inv.)	4000		" "	" R. Webster 257
" "	" Bills Receiv.	775 85		" "	" W. Black 164 25
" "	" John Mason	617		" "	" J. Edwards 293 75
" "	" College Bank	1383		" "	" Jackson & Bro 380
				" "	" Student N.Cap. 6719 90
		9003 65			9003 65

DR.		LOSS AND GAIN.				CR.	
1904.				1904.			
Feb.	15	To Expense	45	Feb.	15	By Mdse	1253 15
"	15	" Student	1208 15				
			1253 15				1253 15

### PRACTICE SETS FOR FEBRUARY.

Feb. 16, 1904.—Student continues the same business. Paid my note favor of D. Bailey, \$798.75. 16. Sold Jno. Mason, 9 hds. Molasses, 900 gallons @ 45c; 12 bbls. Sugar, 2400 lbs. @ 8c.; 4 sacks Rio Coffee, 800 lbs. @ 28c. Received in part payment, Cash, \$325; balance on %.

Feb. 16. Received cash of Jno. Mason for his note of the 8th. 16. Jno. Brown has this day paid his note of the 10th. 18. Sold Robert Walsh, for Cash: 4 bbls. Sugar, 800 lbs. @ 8c.; 2 bbls. Wine, 80 gals. @ 75c; 2 bbls. Pork, @ \$15.75. 19. Jno. Mason has this day paid his note of the 3rd inst. 19. Rec'd Cash of H. Newton for his note of the 13th inst. 20. Bought of Thos. Smith, per check: 18 bbls. Flour @ \$5.50; 1 doz. Sugar Cured Hams, 168 lbs. @ 14c. 21. Drew Cash for personal expenses, \$50. 22. Paid my note of the 9th inst., favor of T. Porter. 22. Sold Wm. G. Byrne, for Cash: 12 bbls. Flour @ \$6.75. 23. Paid my note of the 15th inst., favor of Jackson & Bro. 25. Paid checks as follows: Richard Webster, \$125; Wm. Black, \$100; Jackson & Bro., \$200. 28. Paid the following expenses in cash: Clerk Hire, \$50; Gas Bill, \$6.75; Store Rent, \$40.

Merchandise Inventory, \$3150. Journalize, post to the same Ledger, take a Trial Balance, and close accounts. Your net loss must be \$61.77, making your net Capital, \$6658.13.

DR.		BALANCE ACCOUNT.				CR	
1904.							
Feb.	28	To Cash	2088 10	Feb.	28	By R. Webster	132
"	"	" Mdse (Inv)	3150	"	"	" W. Black	64 25
"	"	" Bills Rec'ble	141 25	"	"	" J. Edwards	293 75
"	"	" J. Mason	1113	"	"	" Jackson & Bro	180
"	"	" C. Bank	835 48	"	"	" Student N. C.	6658 13
			7328 13				7328 13

## MEMORANDA FOR SECOND SET.

Mar. 1, 1904. — Student commenced Business this day with the following Resources and Liabilities:—Resources—Cash, \$2088.40; Merchandise, 3150.00; a note against W. Lyman, due Mar. 15, \$141.25; Cash deposited in College Bank, \$835.48; John Mason owes you on account, \$1113. Liabilities—You owe Richard Webster \$132; Wm. Black, \$64.25; John Edwards, \$293.75; Chas. Jackson & Bro., \$180. (“ Bought of Wm. Black, 15 bbls. Superfine Flour @ \$6.; 3800 lbs. Bacon @ 12c.; 30 boxes Tallow Candles, 1500 lbs. @ 16c.; 20 bbls. Mess Pork at \$15. Gave in payment check on College Bank, \$225.; the balance bought on account. 2. Sold John Mason on his note @ 10 days, 9 bbls. Superfine Flour @ \$7.50; 400 lbs. Bacon @ 13c.; 1 doz. Sugar cured Hams, 168 lbs. @ 17c. (“ Sold John Brown 14 bbls. N. O. Sugar, 2800 lbs. @ 6c.; 5 boxes Dates @ \$3.70; 5 chests. Y. H. Tea, 250 lbs. @ 35c.; 20 boxes Tallow Candles, 1000 lbs. @ 18c. Received in Payment, Cash, \$225.; his note @ 3 days for the balance. 3. Deposited Cash in College Bank, \$1500. (“ Received Cash of John Mason, on %, \$728. (“ Sold Wm. Barker 15 bbls. Baldwin Apples @ \$3.75; 2 hlds. N. O. Molasses, 180 gallons @ 54c.; 8 boxes Valencia Raisins @ 2.60; 12 buckets Raspberry Jam, 360 lbs. @ 11c. Received in part payment Cash \$150; the balance to be paid on the 7th inst. 4. Paid John Edwards, on %, per check, \$175. (“ Paid Richard Webster, Cash, in full of %. 5. Bought of Chas. Jackson & Bro., 10 sacks Rio Coffee, 1500 lbs @ 25c.; 8 chests Ceylon Tea, 400 lbs. @ 33c.; 400 bushels Russian Wheat @ 78c.; 7 hlds N. O. Malasses, 700 gallons @ 60c. Gave in part payment, Cash, \$250.; my note @ 10 days, \$300.; Wm. Lyman’s note in my favor; the balance bought on %. 7. Sold John Mason, on %, 5 bbls. Mess Pork @ \$17. (“ Sold Wm. Jones, for cash, 3 boxes Vermicelli @ \$4.; 2 sacks Coffee, 300 lbs. @ 28c.; 1 chest Ceylon Tea, 50 lbs. @ 40c. 8. Received Cash of Wm. Barker, in full of %. (“ Received Cash of John Brown for his note of the 2nd. 10. Paid Wm. Black, Cash on %, \$275. (“ Sold John Mason, on %, 5 sacks Rio Coffee, 750 lbs. @ 26c.; 4 sacks Salt @ \$1.10; 75 bushels Wheat @ 84c.

## REMARK.

After making your Day Book, have it examined so that you may be sure your work is correct. The transactions are so much alike the set proposed to you as a model, that you will have no difficulty to make the Journal. Examine each transaction attentively; ask yourself “What did I receive?” and “What did I give?”

Journalize, post, close accounts and open them again. (See p. 36)

Merchandise per Inventory, \$4700.

The net gain is \$504 and the net capita! \$7162.44.

*Number of lines in the Ledger:* Stock, 8; Cash, 22; Bills Receivable, 10; Jno. Mason, 8; Mdse, 18; R. Webster, 2; R. Walsh, 2; Coll. Bank, 10; W. Black, 6; J. Edwards, 4; Jackson & Brō. 5; W. Barker, 2; Bills Payable, 6; Expense, 6; Loss & Gain, 7; Balance, 18. (*The posting could be made to the same Ledger.*)

## MEMORANDA FOR THIRD SET.

Mar. 11. Student continued the same business. Paid Cash for 5 tons Coal, \$25.00. 12. Bought, per check, furniture for office use, \$58.00. (“ Sold John Edwards, on %, 3 hlds. N. O. Molasses, 300 gallons @ 70c. 14. Sold Elias Smith, 4 sacks Rio Coffee,

600 lbs. @ 30c. ; 175 bushels Wheat @ \$86c. ; 1200 lbs. Bacon @ 14c. ; 3 bbls. Sugar. 600 lbs. @ 7c. Received in payment Cash, \$275.50 ; his note @ 10 days for the balance. 15. Received Cash of John Edwards to-balance account. (") Received Cash for petty sales, \$24.00. (') John Mason has this day paid his note of the 2nd. 16. Sold Robert Walsh, 8 bbls. Superfine Flour @ \$7.50 ; 8 boxes Tallow Candles, 400 lbs. @ 17c. ; 5 bbls. Mess Pork @ \$19.00 ; 12 buckets Blackberry Jam, 360 lbs. @ 13c. ; 3 sacks Coffee, 450 lbs. @ 28c. Received in part payment, Cash, \$125.00 ; his note @ 3 days for \$130.00 ; the balance to be paid on the 28th. 18. Paid my note of the 5th, favor of C. Jackson & Bro., per check. (") Received Cash of John Mason, on %, \$347.40. 19. Bought at auction Merchandise amounting to \$1748.00 ; gave in payment, Cash, \$400.00 ; my note @ 4 days made in favor of J. Jenkins, \$500.00 ; Check on the College Bank for the balance. 20. Sold R. Benton, on his note @ 3 days, 5 boxes Malaga Raisins @ \$4.50 ; 3 bbls. Florida Oranges @ \$2.00 ; 8 bbls. Apples at \$4.75 ; 12 bunches Bananas @ \$2.25. 22. Paid Chas. Jackson & Bro., Cash on %, \$250.00. (") Sold Wm. G. Byrnes, for Cash, 25 bbls. Mess Pork @ \$21 ; 20 bbls. Prime Beef @ \$15.00 ; 14 bbls. Granulated Sugar, 2800 lbs. @ 7c. 24. Received Cash of Robert Walsh for his note of the 5th. 26. Paid my note of the 19th, favor of J. Jenkins, in cash. (") Received Cash of R. Benton for his note of the 20th. (") Sold Chas. Adams, for Cash, 3 buckets Blueberry Jam, 90 lbs @ 14c. ; 2 doz. Brooms @ \$1.75 ; 5 sacks Salt @ \$1.15 ; 1 sack Coffee, 150 lbs. @ 28c. 27. Received Cash of Elias Smith for his note of the 14th. 28. Received Cash of Robert Walsh in full. (") Paid the following expenses in Cash :— Drayage, \$18.00 ; Clerk Hire, \$75. ; Repairs on Store, \$23.00.

Journalize and post to the preceding Ledger. MERCHANDISE PER INVENTORY. \$4698.25.

Net gain : \$420.90 ; net Capital, \$7583.34.

DR.		BALANCE ACCOUNT.		CR.			
Mar.	28	Cash	2898 61	Mar.	28	W. Black	650 25
		Mdse	4698 25			C. Jackson & B.	477 75
		J. Mason	385	"	"	Student	7583 34
		C. Bank	729 48				
							8711 34

### Set III —Negotiable Paper.

In Set II. was shown the role that Promissory Notes and Checks play in commercial transactions. Goods were sold to different parties, and notes were received in payment ; you bought goods and gave your note or your check in payment.

Under certain conditions these notes are transferable—that it is to say, they can pass from person to person ; in other words, they are *negotiable*. But that they may possess a *negotiable character*, they must have certain elements. These elements are :—

1. Parties.
2. Consideration.
3. Time.
4. Payable in money.
5. Negotiable words.
6. Payable absolutely.
7. A specified amount.

The original parties to a promissory note are the **MAKER** and the **PAYEE**. The **MAKER** is the party that makes the note; the **PAYEE** is the party in whose favor the note is made.

In the following note John Brown is the *maker*; it is he who promises to pay. Joseph Smith is the *payee*; it is in his favor that the note is made.

\$150<sup>00</sup>/<sub>100</sub>

Arthabaska, March 1, 1904.

*Ninety days after date, I promise to pay  
Joseph Smith or bearer, One Hundred and Fifty Dollars,  
at the College Bank, value received.*

*John Brown.*

Notice that this note has all the elements required to make it negotiable.

The Parties are John Brown and Joseph Smith.

The Consideration is expressed by the words "*value received.*"

Time—*Ninety days after date.*

It is payable *in money.*

It is payable *absolutely.*

It has a negotiable word, "*bearer.*"

It promises to pay *a specified amount.*

\$150<sup>00</sup>/<sub>100</sub>

Arthabaska, March 1, 1904.

*Ninety days after date, I promise to pay  
Joseph Smith or order, One Hundred and Fifty Dollars,  
at the College Bank, value received.*

*John Brown.*

The only difference between the two notes given is that the first is payable to Joseph Smith or "*bearer,*" and the second to Joseph Smith or "*order.*" This difference is so important that it merits a special attention.

#### BEARER.

A note made payable to a particular person or bearer can be transferred by *simple delivery*. If Joseph Smith buys goods from you, and you are willing to accept as payment John Brown's note, he hands you the note and you become the *owner*. The holder of a note made payable to bearer is presumed to be the rightful owner. If such a note be found or stolen, the finder or the thief has, of course, no right to collect it; but if he



sell it *before maturity* to an *innocent holder*, that is to say, to one who has no reason to suspect that the note was found or stolen, the innocent purchaser will be protected in the collection of the note.

From this will be seen *the risk* run by those who *send through the mail* promissory notes and checks made payable to bearer.

#### ORDER.

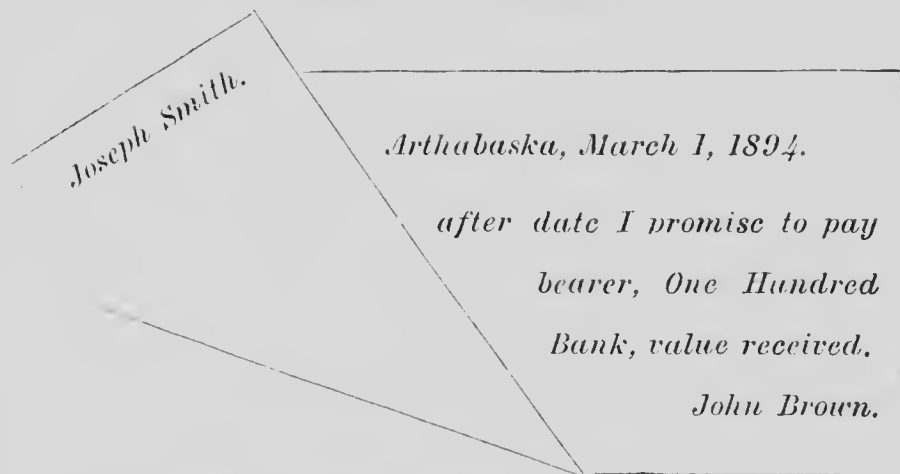
The second note is made payable to Joseph Smith or order,—that is, to the person to whom he orders it to be paid. To become negotiable this note *requires the signature* of Joseph Smith. Suppose, then, that he buys merchandise from you and offers you this note in payment. If you agree to accept the note, Joseph Smith must write his name on the back of the note.

#### INDORSEMENT.

The act of the payee writing his name on the back of a note or check, and thereby transferring the property in it, is called an *Indorsement*.

(1) If the indorsement is a mere signature of the party transferring, without any other words, it is called a *Blank Indorsement*. A promissory note, check, or other negotiable paper *indorsed in blank*, is transferable *from hand to hand*. The effect of a blank indorsement is to make the instrument *payable to bearer*. A note thus indorsed *runs the same risks* as a note payable to bearer; and, if lost or stolen, it can be sold to an innocent purchaser for value.

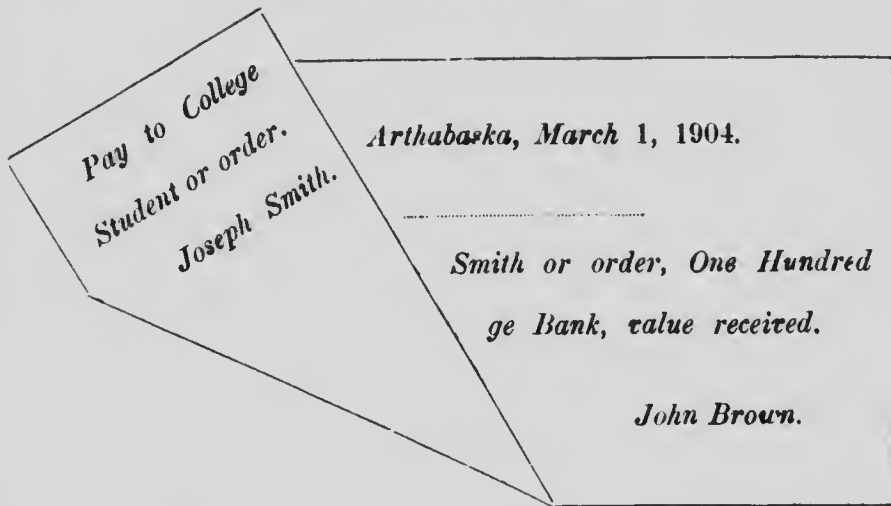
#### EXAMPLE OF A BLANK INDORSEMENT.



(2) If the indorsement mentions the name of the party to whom it is transferred, it is called a *Full Indorsement*. When a promissory note or other negotiable paper in *this* indorsed, no one but the indorsee, that is, the person to whom the note is transferred, can demand payment. If he wishes to transfer it, he must indorse it. If the instrument be lost or stolen, the thief or finder cannot collect it.

Such being the case, it is natural that this mode of indorsement should be generally adopted by business men in transmitting notes, checks, and drafts by the mail:—

## EXAMPLE OF A FULL INDORSEMENT.



## DAYS OF GRACE.

NOTES and DRAFTS on time are *nominally* due at the expiration of the specified time ; they are *legally* due three days after. These three days are called *Days of Grace*. If a note reads "*ten days after date*," it will be due only *thirteen* days after date. If the last day of grace falls on a Sunday or a legal holiday, the note must be paid on the next day. In the United States the note would be payable on the second day of grace.

## INTEREST AND DISCOUNT.

The new subjects introduced in the *set for March* are *Interest and Discount*.

INTEREST is money charged for the use of money for a certain time.

DISCOUNT is an allowance made for the payment of a debt of money before it becomes due.

BANK DISCOUNT is the interest on the face of a note from the day of discount to the day of payment.

The PROCEEDS of a note is the face of the note minus the discount.

The DAY OF MATURITY is the day on which the note is due.

Find the *day of maturity*, the *discount*, and the *proceeds* of the following promissory notes :--

\$175 $\frac{75}{100}$	Arthabaska, Mar. 15, 1904.
Ninety days after date I promise to pay to College Student or order, One Hundred and Seventy-five $\frac{75}{100}$ Dollars at the College Bank, value received.	
Joseph Smith.	
Discounted at the Bank, March 25, 1904, at 6%.	



Four months after March 4, brings us to July 4. The 3 days of grace make the note due on July 7. The note was discounted Mar. 25. The number of days it had still to run is found as follows:—

In March it has 6 days; in April, 30; in May, 31; in June, 30; in July, 7. Making a total of 104 days.

By paying your note on March 25, you are entitled to a reduction equal to the interest on \$455.25 for 104 days, at the given rate.

455.25 × .07 =	Interest for 1 year.
455.25 × .07 =	" " 1 day.
<hr style="width: 100px; margin-left: 0;"/>	
365	
455.25 × .07 × 104	" " 104 days. = \$9.08.
<hr style="width: 100px; margin-left: 0;"/>	
365	

The proceeds, or, in this case, the amount of cash you pay is \$455.25—9.08=\$446.17.

Now, how must this transaction be journalized? Again, your only difficulty will be with the interest. Your note is a Bill Payable, and, as it cost you value, it is Dr. Cash is Cr., because it is paid out. But it is not only Cash that has paid your note; the interest for the unexpired time has diminished your debt by \$9.08; this interest, then, produces value, and must be credited.

Hence the Journal entry will read:—

Bills Payable	\$455.25.
To Cash,	446.17.
" Interest,	9.08.

*Interest*, then, is Dr. when it costs you value; it is Cr. when it produces value.

It costs you value when it is *against you*; it produces value when it is *in your favor*.

Interest is *against you* when you pay it, and when your debtor pays his debt before it is due.

Interest is *in your favor* when some one pays it to you, and when you pay your debt before it is due.

Therefore, the following:—

*In journalizing Interest or Discount, ask yourself if it is against you or in your favor; if it is against you, it is Dr.; it is Cr. when in your favor.*

#### REAL ESTATE.

Under this title are included the *house and property* that you buy. *Real Estate* must be debited for its cost, and credited for its returns. At the end of the month, when you close your Ledger, credit the account, "By Balance per Inv." for the property that remains unsold. Should there, then, be a difference between the sides of the account, that difference is a loss or a gain, and must be placed in the Loss and Gain Account.

#### REMARKS.

Interest and Discount being of a like nature, they are placed in the same account under the title *Interest and Discount*.

*Unless otherwise stated, all computations of interest and discount must be made at 6% on a basis of 365 days to the year.*

*Bills Receivable and Bills Payable must be debited and credited for their face value without regard to the interest or discount or gain or loss on them.*

## DAY BOOK—(Set III.)

ARTHABASKA, Que., MARCH 1, 1904.

STUDENT commences Business this day with the following Resources and Liabilities:—		
RESOURCES.		
Cash	5300	
Merchandise	7585	75
A note against JOHN POWERS for \$575, due April 15. Days of grace included.	575	
A note against W. WARD for \$600, due May 23. Days of grace included.	600	
Cash in the College Bank	2400	16460 75
LIABILITIES.		
I owe as follows:—		
W. M. GOLDSWICH, on %.	749	75
A note in favor of R. CROMWELL, due June 6	430	
A note in favor of J SMITH, due Mar. 29 -	725	1904 75
1		
Sold RICHARD WEBSTER:—		
27 bbls. Flour @ \$6.75	182	25
15 bbls. Sugar @ \$9.50	142	50
2 sacks Coffee @ \$40.	80	404 75
Received in payment his note @ 3 mos.		300
Cash for the balance		104 75
3		
Received Cash of JOHN POWERS for his note, less the discount allowed him for the unexpired time.		
Face of note	575	
Discount allowed him		4 06
Cash received		570 94
(This note is due April 15. It is paid 13 days before maturity. POWERS is, therefore, entitled to the interest on his note for 43 days) $585 \times .06 \times 43$		
	365	= \$4.06
3		
Sold DANIEL COONEY for cash:		
3 bbls. Flour @ \$7.	21	
4 bbls. Biscuits @ \$9 50	38	59
4		
Sold JOHN MASON:—		
15 bbls. Flour @ \$7.	105	
8 " Apples @ \$3.	24	
7 boxes Prunes @ \$2 60	18	20
24 Hams @ \$2 25	54	
19 bbls. Beef @ \$18.	342	543 20
Received in payment Cash		150
His note at 90 days for		293 20
The balance on % at 10 days		100

## DAY BOOK—(SET III.)

ARTHABASKA, Que., MARCH 4, 1904.

Deposited Cash in College Bank		\$2500
----- 4 -----		
Bought of WM. COOPER:— 25 hds. N. O. Molasses, 2500 gallons @ 34c. Gave in payment Cash My note @ 60 days Check on College Bank for the balance	\$850	250 300 300
----- 5 -----		
I have this day discounted my note in favor of RICHARD CROWWELL, and due June 6. Face of note Discount allowed me for unexpired time Paid the balance by check on College Bank (The note had still 26 days to run in March; 30 in April; 31 in May; 6 in June,—in all, 93 days. By paying your note to-day, you are entitled to a reduction equal to the interest on the face of the note, \$430 for 93 days.)	430	6 57 423 13
$430 \times .06 \times 93$ ----- 365		
----- 5 -----		
Paid W. GOLDSMITH cash on %		325
----- 6 -----		
Sold R WEBSTER on his note, with interest, at 15 days:— 7 hds. N. O. Molasses, 700 gallons @ 42c. 8 bbls. Sugar @ \$10.50	294 84	378
----- 6 -----		
WM. WARD has this day paid his note, due May 23, less discount for unexpired time. Face of note Discount allowed him Received the balance in cash (The note had still 25 days to run in March; 30 in April; 23 in May,—in all, 78 days. WARD is then entitled to a reduction equal to the interest on his note for 78 days.) $600 \times .06 \times 78$ ----- 365	600	7 69 592 31
$600 \times .06 \times 78$ ----- 365		

## DAY BOOK—(SET III.)

ARTHABASKA, QUE., MARCH 8, 1904.

Sold WM. BROWN :—			
13 boxes Prunes @ \$5.40		\$31 20	
3 chests Tea @ \$18.		54	
4 bbls. Biscuits @ \$10		40	
16 bbls. Beef @ \$16.		256	
25 bbls. Flour @ \$7.50		187 50	\$568 70
Received in payment, Cash			175
His note @ 3 mos.			300
The balance on % @ 10 days			93 70
8			
I have this day paid my note in favor of J. Smith, and due Mar. 29, less discount allowed me for unexpired time.			
Face of note		725	
Interest allowed me for 21 days			2 50
Paid cash			722 50
(From March 8 to March 29 there are 21 days. Hence you are allowed the interest on your note for 21 days.			
725 $\times$ .06 $\times$ 21			
<u>          </u> = \$2.50, discount allowed you).			
365			
9			
Loaned cash to W. JONES for 10 days @ 7% interest			1000
9			
Donated cash to a Charitable Institution.			100
9			
Received cash for petty sales			145
11			
RICHARD WEBSTER this day pays his note of March 1.			
Face of note			
Discount allowed him for unexpired time.			
Received the balance in cash			4 19
(Three months after March 1 brings us to June 1. With the days of grace, the note is due June 1. In March the note has 20 days to run; in April, 30; in May, 31; in June, 4,—in all, 85. You allow R. Webster the interest on his note for 85 days.)			
300 $\times$ .06 $\times$ 85			
<u>          </u> = \$4.19			
365			

## JOURNAL.—(SET III)

ARTIABASKA, QUE., MARCH 1, 1904.

Cash	\$5300	
Merchandise	7585 75	
Bills Receivable	1175	
College Bank	2400	
	<i>To Student.</i>	\$16460 75
<hr/>		
STUDENT	1904 75	
	To W. Goldsmith	749 75
	" Bills Payable	1155
<hr/>		
Bills Receivable	300	
Cash	104 75	
	<i>To Merchandise.</i>	404 75
<hr/>		
Discount	4 06	
Cash	570 94	
	<i>To Bill Receivable.</i>	575
<p>(Cash is debited because it is received. Discount is debited because it is against you. You allowed Jno. Powers a reduction of \$4.06 for paying his note today. The reduction being a gain for him is a loss for you. Bills Receivable is credited because it is cancelled.)</p>		
<hr/>		
CASH	59	
	<i>To Merchandise.</i>	59
<hr/>		
Cash	150	
Bills Receivable	293 20	
John Mason	100	
	<i>To Merchandise</i>	543 20
<p>(Cash and Bills Receivable are debited because they are received, or because they have cost you value. John Mason is debited because he owes you for that portion of the merchandise he bought on credit. Merchandise is credited because it has been sold ; or because it has produced value.)</p>		



JOURNAL—(SET III.)  
ARTHABASKA, Que., MARCH 4, 1904.

<p>COLLEGE BANK</p> <p style="text-align: right;"><i>To Cash.</i></p> <hr/>	\$2500	
"-----"		\$5500
<p>MARCHANDISE</p> <p style="text-align: right;">To Cash</p> <p style="text-align: right;">" Bills Payable</p> <p style="text-align: right;">" College Bank</p> <hr/>	850	250 300 300
5-----		
<p>BILLS PAYABLE</p> <p style="text-align: right;">To College Bank</p> <p style="text-align: right;">" Discount</p> <p>(Bills Payable is debited because it costs value. College Bank is credited because you order it to pay out money for you. Discount is credited because it is in your favor. By paying your note to-day you gain \$6.57)</p> <hr/>	430	423 43 6 57
"-----"		
<p>WM. GOLDSMITH</p> <p style="text-align: right;"><i>To Cash</i></p> <hr/>	325	325
6-----		
<p>BILLS RECEIVABLE</p> <p style="text-align: right;"><i>To Mdse.</i></p> <hr/>	378	378
"-----"		
<p>Cash</p> <p>Discount</p> <p style="text-align: right;">To Bills Receivable</p> <p>(The note is paid, and must therefore be credited. Cash is debited because it is received. Discount is debited because it is against you. You allowed Wm. Wood a reduction of \$7.69 because he paid his note 78 days before it was due. This reduction being a gain for him is a loss for you. Discount is therefore against you and must be debited.)</p> <hr/>	592 31 7 69	600
8-----		
<p>Cash</p> <p>Bills Receivable</p> <p>Wm. Brown</p> <p style="text-align: right;"><i>To Merchandise.</i></p> <hr/>	175 300 92 70	568 70

## JOURNAL.—(SET III.)

ARTHABASKA, QUE., MARCH 8, 1904.

BILLS PAYABLE	To Cash Discount	\$725	\$722 50 2 50
(Bills Payable has cost you value ; it must be debited. Cash is credited because you paid it out. Discount is credited because it is in your favor. By paying your note 21 days before it is due, you are allowed a reduction of \$2.50 ; in other words, you gain \$2.50).			
9			
WM. JONES.	<i>To Cash.</i>	1000	1000
"			
LOSS & GAIN	<i>To Cash.</i>	100	100
As far as your business is concerned, the money that you give to the Charitable Institution is a loss for you.			
"			
CASH	<i>To Merchandise</i>	145	145
11			
Cash Discount	<i>To Bills Receivable.</i>	295 81 4 19	300
The note is credited because it is paid, or because it has produced value. Cash is debited because it is received. Discount is debited because it is against you. You allowed R. Webster a reduction of \$4.19 for paying his note before maturity. His gain is your loss.			

Make the Ledger and close the accounts that show a loss or a gain, as well as the Proprietor's account.

Midse per Inventory \$7000.

Net gain, \$556.03 ; net Capital, \$15112.03.

Leave the other accounts open, unless otherwise directed.

Give Student's acct., 8 lines ; Cash, 2. ; Bills R. 12, Mdse, 16 ; Goldsmith, 4 ; C. Bank, 8 ; Bills P. 8 ; Int. & Div., 10 ; J. Mason, 4 ; W. Brown, 3 ; Loss & Gain, 10.

### PRACTICE SETS FOR MARCH.

March 12.—Student continues the same business. Sold Wm. Bedford, 30 bbls. Flour @ \$7 ; 5 hhd. N. O. Molasses, 500 gallons @ 45c. ; 3 chests Tea @ \$21 ; 14 buckets Apple Jam @ \$3.25. Received in payment, cash, \$243.50. Balance on % @ 10 days. 14. Bought of Wm. Rogers a House and Lot, No. 5 Court St., for \$3800. Gave in payment, Cash, \$750 ; Check on Bank, \$1200 ; My note @ 4 mos. for the balance. (*Debit Real Estate, a sort of Mdse account*). 14. Received cash of John Mason in full of %, \$100. 16. Paid cash for Store Repairs, \$24. 18. Received cash of Wm. Brown in full of %, \$93.70. 19. Received cash of Wm. Jones for the money loaned him on the 9th, with interest :—Cash, \$1000 ; Interest, \$1.92. 19. Paid Wm. Rogers my note of the 14th, less interest allowed me for unexpired time. Face of note, \$1850 ; interest allowed me \$36.49 (120 da.) ; Paid the balance in cash. 20. Sold John Mason on % :—30 Hams @ \$2.25 ; 9 bbls Flour @ \$6.75 ; 5 bbls. Pork @ \$19 ; 7 bbls. Apples @ \$3.50 ; 12 buckets Blackberry Jam @ \$3.70. 21. Sold Richard Croker, on his note @ 3 days :—12 bbls. Beef @ \$16 ; 2 sacks Coffee @ \$40. 23. Sold John Williams :—House and Lot, No. 5 Court St., for \$4300. Received in payment, cash, \$2500 ; his note @ 3 days for the balance. 24. Richard Webster has this day paid his note of the 6th inst., with interest. Face of note, \$378 ; Interest for 18 days ; received cash : 27. Received cash of Richard Croker for his note of the 21st. 28. Sold Joseph Rogers for cash :—24 buckets Blueberry Jam @ \$3.60 ; 3 boxes Dates @ \$2.75 ; 4 bbls. Picnic Biscuits @ \$10. 29. Received cash of Jno. Williams for his note of March 23. 31. Paid Sundry Expenses in cash, \$74.

9. Journalize, post to preceding Ledger, and close all accounts. Mdse per Inventory, \$5356.55. Net gain, \$540.76. Net Capital \$15652.41.

DR.		BALANCE ACCOUNT.		CR.	
1904			1904		
Mar.	31 To Cash,	6358 69	Mar.	31 By W. Goldsmith,	424 75
"	" " Mdse. (Inv.)	5856 55	"	" " Bills Payable,	300
"	" " Bills Receiva.	593 20	"	" " Student N. Cap	15652 41
"	" " College Bank,	2976 57			
"	" " Jno. Mason,	292 15			
"	" " Wm. Bedford,	300			
		16377 16			16377 16

Make the Day Book of the following sets up to the 13th. Then journalize, post, take a Trial Balance, and close all accounts or only such as are intended to show a gain or a loss, together with Student's.

Mdse Inv., \$3800. Net gain, \$138.65. Net capital, \$14,132.90.

Give Student's acct. 8 lines; Cash, 22; C. Bank, 10; Mdse, 17; Bills Receivable; 14; Bills Payable, 8; J. Russell, 9; C. White, 3; J. Mason, 5; Real Estate, 4; Interest and Discount, 10; J. Smith, 3; J. Johnson, 3; Loss and Gain, 9; Balance, 25.

Then continue March:

### MEMORANDA.—2ND SET.

MARCH 1.—Student commences Business this day with the following Resources and Liabilities:—Resources—Cash in Safe, \$1950.00; Cash in College Bank, \$3900 00; Merchandise, \$5280.00; a note, due May 18, against John Owens, \$824.00; Joseph Russell owes on %, \$113.00. Liabilities—I owe Chas White, on %, \$345.00; John Mason, on %, \$585.75; my note, due July 7, favor W. Barker & Bro., \$742.00. 2. Bought of John Mason, a House and Lot, No. 25 Broad St, for 3600.00; gave in payment cash, \$300.00; Check on College Bank, \$1200.00; my note @ 4 mos. for the balance. (") Sold Geo. Ashton on his note @ 90 days, 5 bbls. Superfine Flour @ \$6.50; 4 bbls Sugar, 800 lbs. @ 6c.; 12 bbls. Pork @ \$18.50. 3. Sold John Brown, 4 hhd. Molasses, 400 gallons @ 40c.; 14 bbls. Prime Beef @ \$16 00; received in payment his note @ 30 days, \$192.00; Cash for the balance. 4. I have this day paid my note, favor of W. Barker & Bro., less discount allowed me for unexpired time. Face of note —; discount allowed me for — days; gave check for the balance. 5. Sold Joseph Russell, on %, 9 hbls. Apples @ \$3.50; 15 bbls. Potatoes @ \$2.25; 200 bushels Oats @ 48c. (") Received cash of John Owens for his note due May 18, less discount allowed him for unexpired time. Face of note —; discount allowed him for — days; received the balance in cash. 6. Sold Wm. Warren 14 sacks Rice, 1400 lbs. @ 4c.; 27 sacks Salt at \$1.75; 22 sacks Corn @ \$1.40; 19 bbls. Flour @ \$6.30; received in payment cash \$125.75; his note @ 6 days for the balance. 7. Received cash of Joseph Russell, on %, \$100 00. 8. George Ashton has this day paid his note of Mar. 2, less discount for unexpired time. Face of note —; discount allowed him for — days; received cash for the balance. 9. Received cash for petty sales, \$78.00. (") Deposited cash in College Bank, \$1200.00. 10. Sold Joseph Waters on his note @ 15 days, with interest, 13 hhd. W. I. Molasses, 1300 gallons @ \$50c.; 9 bbls. Sugar, 1800 lbs. @ 6c. (") Donated cash to a Charitable Institution, \$50.00. 12. Paid my note of Mar. 2, favor of John Mason, less discount for unexpired time. Face of note —; discount allowed me for — days; paid the proceeds in cash.

### MEMORANDA — 3RD SET.

March 13. Sold Joseph Russell, House and Lot, No. 25 Broad St, for \$4000.00; received in payment his note @ 15 days, with interest \$1500.00; cash, \$1500.00; the balance on % @ 10 days. (") Paid cash for sundry expenses, \$60.00. 15. Bought of John Mason 58 bbls. Mess Pork @ \$14.00; gave in part payment cash, \$500.00; the balance on %. (") Received cash of W. Warren for his note of the 6th inst. (") Paid Chas. White cash in full of %. (") Sold Joseph Russell on %, 14 bbls. Mess Pork @ \$17.00. (16) John Brown has this day paid his note of Mar. 3, less discount for unex-

pired time. Face of note—; discount allowed him for—days; received cash for the proceeds. (17) Sold Joseph Smith merchandise for \$332.82; received in payment cash, \$150.00; the balance on %. 18. Paid John Mason, on %, \$250.00. (") Sold J. Johnson, 24 bbls. Pork @ \$17.00; 3 hhls. Molasses, 300 gallons @ 60c.; received in part payment his note @ 3 mos., \$275.00; the balance on %. 19. Bought of John Powers merchandise for \$735.00; gave in payment cash, .175 00; my note @ 3 mos., \$400; check for the balance. 21. J. Johnson paid his note of the 18th to-day, less discount for unexpired time. Face of note—; discount allowed him for—days—; received cash for the proceeds—. 23. Received cash of J. Russell for his debt of Mar. 13. (") Paid my note of the 19th, favor of Jno. Powers, less discount for unexpired time. Face of note—; discount allowed me for—days—; paid the balance per check. (24) Paid John Mason, cash on %, \$250.00. (') Received cash of J. Smith, in full. 25. Sold J. Russell, on %, merchandise for \$447.00. 26. Paid cash for repairs, \$42.00. 28. Received cash of J. Waters for his note of the 10th, with interest. Face of note—; interest on the note for—days. 29. Received cash of Joseph Russell, on %, \$250.00. 31. Received cash of Joseph Russell for his note of the 13th, with interest. Face of note—; interest on note for—days. (") Paid store expenses in cash, \$190.00.

Post to the preceding Ledger. The merchandise unsold is estimated at \$3850. Net gain, \$224.69; net Capital, 14,357.59.

### BALANCE ACCOUNT.

	Resources.		Liabilities	
Cash	7163	86		
College Bank	2619	23		
Mdse	3850			
J. Russell	809	25		
Jno. Mason			397	75
J. Johnson	313			
Student			14357	59
	14755	34	14755	34

## [Set IV.]

## SAME BOOKS AND BILL BOOK.

Negotiable Paper.—*Continued.*

The next class of *Negotiable paper* deserving our attention is the **DRAFT**.

A *draft* is an order addressed by one person to another, requesting the payment of money to a person named therein, to *his order or to bearer*.

The use of the draft is to obviate the risk and expense of sending money from one place to another.

As a rule, two of the parties to a draft reside in the same place.

Let us suppose that John Brown, of Montreal, owes you \$500, and that you owe Joseph Smith, of Montreal, a like amount. Now, if we had no such commodity as Negotiable Paper, John Brown would have to send you by express \$500, and you would have to return the money to Montreal in order to pay Joseph Smith. But as negotiable paper does exist, you will bring it into service by enclosing in a letter that you send to JOSEPH SMITH, a draft worded as follows :

\$500 <sup>00</sup> / <sub>100</sub>	Arthabaska, April 1, 1904.
•	
On demand pay to Joseph Smith or order,	
Five Hundred Dollars, value received, and charge to the account of	
To John Brown,  Montreal.	College Student.

When Joseph Smith receives your letter, he presents the draft to John Brown. If Brown is not willing to pay it, Smith returns you the draft. If, however, he pays it, it is evident that he no longer owes you, nor do you owe Joseph Smith. John Brown has paid you, and you have paid Joseph Smith, though not a cent has been sent to or by you.

The words "*on demand*" mean that the draft must be paid when it is presented. If you present it on April 1, it must be paid on that date. There are *three original parties* to a draft: (1) The one that makes the draft; he is called the "*maker*" or "*drawer*." (2) The one that is ordered to pay the draft; he is called the "*drawee*" (3) The one in whose favor the draft is made; he is called the "*payee*."

In the example given, College Student is the drawer; John Brown is the drawee; Joseph Smith is the payee.

If you were now told to journalize such a transaction, the entry should be:

Joseph Smith, Dr.

To John Brown.

Joseph Smith should be debited because you get out of his debt; John Brown should be credited because he pays your debt.

\$600<sup>00</sup>/<sub>100</sub>.

Arhabaska, April 1, 1904

At sixty days sight pay to College Student,  
or o. der, Six Hundred Dollars, value received, and charge to  
the account of

To Joseph Smith,

John Brown.

Montreal.

In this draft it is presumed that John Brown owes your \$600, and that Joseph Smith owes him at least that amount. Brown orders Smith to pay you. Now, Smith is not bound to do so ; he may refuse or agree, just as he pleases. If he is not willing to pay the draft, you must notify Brown. If, however, he agrees to pay it, he writes in red ink across the face of the draft, "Accepted, April 2, 1904, Joseph Smith."

As the draft is payable at sixty days sight, that is to say, sixty days after it is shown to Joseph Smith, he must be careful to *mention the date* of this acceptance.

The word "Accepted" written across the face of the draft is a promise to pay it. it is equivalent to writing "I promise to pay." The draft which Smith promises to pay is in your favor ; for him it is a *Bill Payable* ; for you a *Bill Receivable*.

The Journal entry of this transaction should read :

Bills Receivable, Dr.

To John Brown.

Now this draft contains all the elements of a negotiable paper : it can therefore be transferred. If you buy merchandise of John Jones, you can offer him this draft in payment, in whole or in part. If Jones is satisfied with the credit that Smith has in the commercial community, he will take the draft. But as it is payable to you or your order, to transfer it, you must *write your name* on the back and thus make a *blank indorsement*, or write, "Pay to John Jones or order, College Student," and thus make a *full indorsement*. You then become an *indorser*, and Jones becomes the *indorsee* or *payee*. By indorsing the draft, you have assumed a responsibility ; you are now conditionally liable for its payment.

\$700 <sup>00</sup>/<sub>100</sub>.

Arthabaska, April 1, 1904.

*Ninety days after date pay to the order of  
John Brown, Seven Hundred Dollars, value received, and  
charge to the account of*

To College Student,

Joseph Smith.

Arthabaska, Que.

In the foregoing draft, Joseph Smith orders you to pay John Brown ; it is therefore presumed that you owe Joseph Smith. But you are not bound to pay Brown ; you can agree or not, just as you wish. However, you are bound to pay Smith ; and as it is immaterial to you whether you pay Brown or Smith, provided you get out of Smith's debt, we will suppose that you accept the draft—that is, you promise to pay it. You write across the face of the draft **Accepted, College Student.**

In this draft, there is no need to write the date of the acceptance, as the day of payment is so many days after date.

It has already been said that the word "Accepted," written across the face of a draft, is equivalent to "I promise to pay." Therefore, the draft which Joseph Smith sent to John Brown, and which you accepted, is a *written promise* that John Brown, or the party to whom he transferred it, holds against you. Now, it has been seen that a written promise of payment, which another party holds against you, is, for you, a *Bill Payable* ; this draft then is for you a *Bill Payable*.

By accepting this draft, you owe Joseph Smith \$700 less ; you pay one debt by making another.

The Journal entry of the foregoing transaction must read :

Joseph Smith, Dr

To Bills Payable

\$300 <sup>00</sup>/<sub>100</sub>

Arthabaska, April 1, 1904.

*Ninety days after date pay to the order of  
myself Three Hundred Dollars, value received, and charge to the  
account of*

To John Brown,

College Student.

Montreal.



In the above draft there are two parties: the *drawer* and the *payee* being the same. You have made this draft payable to yourself, so that by selling it you may have money.

Suppose that John Brown owes you \$300 due in ninety days, and that you owe me \$295 due to-day, and that I am pressing payment. Now, can you bring the draft to your service?

Yes; draw a draft at ninety days in your favor, and on John Brown. If your credit is good, the College Bank will buy the draft, and with the money you receive you can pay me. Of course the College Bank will not give you \$300 for the draft; if it did, it would lose the interest on \$300 for 93 days.

$$\frac{300 \times .06 \times 93}{365} = 4.5 \text{ Interest or Discount.}$$

The Bank gives you \$300 - \$4.59 = \$295.41.

The journal entry of this transaction must be:

Cash.

Interest or Discount.

To John Brown.

The Check is practically the same as a draft, though a check is not presented for acceptance but for payment. The parties to a check are the *drawer*, the *payee*, and the *drawee*. If I order the College Bank to pay you a certain sum, I am the *drawer*, you are the *payee*, the Bank is the *drawee*.

## NON-NEGOTIABLE PAPER

You have seen that commercial paper to be *negotiable* requires certain elements. These elements are so essential that the absence of any one would render the instrument *non-negotiable*.

The elements having been given in Set III, it is not necessary to repeat them here.

### NON-NEGOTIABLE CHECK.

No. 75.	At Cabasa, Tex., 10/4.
Commercial College Bank	
Pay to John Brown,	
Two Hundred Dollars.	
\$200.00.	College Student.

## NON-NEGOTIABLE NOTE.

\$300 00

Arthabaska, April 1, 1904.

Thirty days after date, I promise to pay John Brown, Three  
Hundred Dollars value received.

College Student

\$35 00

Arthabaska, April 1, 1904.

Mr. John Brown will please pay to College  
Twenty-Three Dollars in Merchandise, and charge the same to my  
account.

Joseph Smith.

This last example is called an *order*. An order is a letter addressed to an individual or firm, requesting the delivery of goods on account of the *maker*. If you are the *bearer* and receive the goods, Joseph Smith will owe John Brown \$35; or, if John Brown owes Joseph Smith, the delivery of the goods will settle the debt and the order will be kept as a receipt.

NOTE—In accepting an order, the drawee may make it payable at any bank or business place.

## Set IV.

In this Set, you are in *partnership* with J. W. Smith. At the end of April debit each partner for one half the loss.

The *BILL BOOK* is introduced for the first time. The object of this book is to have a record of the particulars relating to the notes that you receive and give.

As soon as you receive a note, or issue one, record it in the *Bill Book*.

The *BALANCE SHEET* presented in this set gives the same information as the *TRIAL BALANCE, LOSS and GAIN, and BALANCE ACCOUNT*.

Whenever the number of personal accounts is great, you may sum the "*ACCOUNTS RECEIVABLE*" and "*ACCOUNTS PAYABLE*".

## SUMMARY OF THE RULES FOR JOURNALIZING.

DR.	STOCK OR PROPRIETOR.	CR.
	Liabilities, withdrawals, net loss.   Investments, net gain.	
	The difference is the net capital or net insolvency.	
DR.	CASH.	CR.
	Money received.   Money paid.	
	The Cr. side can never exceed the Dr. and the difference is money on hand.	
DR.	MERCHANDISE.	CR.
	Goods bought.   Goods sold.	
	Before the gain or loss can be found, the goods unsold must be added to the Cr. side.	
DR.	PERSONS.	CR.
	What they owe or receive.   What we owe them or they pay us.	
	If the Dr. side is the larger, the difference is what they owe us ; if the smaller, the difference is what we owe them.	
DR.	EXPENSE.	CR.
	Cost of expenses.   Returns (if any).	
	The difference is generally a loss. But before the real loss can be found, the Cr. side must be increased by what is left of what was charged to the account.	
DR.	BILLS RECEIVABLE.	CR.
	Others' notes received.   Others' notes paid or given.	
	As in the case of Cash, the Cr. side can not exceed the Dr. and the difference is a Resource.	
DR.	BILLS PAYABLE.	CR.
	Our notes redeemed or paid.   Our notes made or given.	
	Here the difference, if any, is always in favor of the Cr. and shows a debt.	
DR.	INTEREST AND DISCOUNT.	CR.
	Not in our favor.   In our favor.	
	If the Dr. side is the larger, the result is a loss ; etc.	
DR.	REAL ESTATE.	CR.
	The same as merchandise.	
DR.	BANK.	CR.
	Money deposited.   Money withdrawn.	
	As a rule, a bank will not pay more money than we have deposited. Then the difference, if any, is always in favor of the Dr. side and shows the balance of our deposit.	
	Often review these rules for journalizing and make yourself perfectly familiar with them ; then the two main points in Book-keeping : journalizing and closing accounts will become an easy work.	

## DAY BOOK (Set IV.)

ARTHABASKA, QUE., APRIL 1, 1904.

<p>COLLEGE STUDENT and J. W. SMITH have, this day, entered into Partnership, to conduct a Wholesale Grocery Business.</p> <p>The firm is to be known under the title of STUDENT &amp; Co.</p> <p>The partners are to invest equal amounts, and to share equally the gains and losses.</p> <p>COLLEGE STUDENT invests :—</p>			
Cash deposited in College Bank	\$4925 75		
Merchandise	4800		
House and Lot, No. 5 Church St.	5400		
Cash	3975		
Wm. CROKER owes him on acct.	790		
DAVID MURPHY " " "	675		
A note against JOHN BROWN, due July 14	585	21150 75	
----- 1 -----			
<p>STUDENT owes as follows :—</p>			
A note, favor JOSEPH GRANT, due Aug. 15	824		
" " ANDREW GORMAN, due June 17	395		
" " A. J. BLACK, due July 9	733		
HENRY BYRNE, on acct.	284		
ROGER WILLIAMS, "	684	2920	
----- 1 -----			
<p>J. W. SMITH invests ;—</p>			
Cash	4000		
A note against G. BAKER, due Sept. 9	650		
Merchandise	4000		
J. W. PEPPER owes him on acct.	825		
JOSIAH GRANBY " " "	1300		
House and Lot, No 74 Court St.	9000	19775	
----- 1 -----			
<p>J. W. SMITH owes :—</p>			
Wm. HARDY, on account	653 25		
A note, favor E. BELL, due May 18	891	1544 25	
----- 2 -----			
<p>Sold O. GOLDSMITH, on account :—</p>			
28 bbls. Flour @ \$6.50	182		
30 " Sugar @ \$12.	360	542	
----- 2 -----			
<p>Sold RICHARD GREEN :—</p>			
5 Hhds. Molasses, 500 gallons, @ 48c.	240		
15 Chests Tea, 1,500 lbs. @ 40c.	600	840	
Received in Payment :—			
Cash		300	
His note @ 90 days.		540	

ARTHABASKA, APRIL 3, 1904.

Received cash of JOHN BROWN for his note favor of College Student, less discount allowed him :— Face of note Discount allowed him for 102 days Received cash	\$585	\$9 81 575 19
4		
Accepted HENRY BYRNE's draft on us @ 60 days, favor JOSEPH JACKSON		284
4		
Drew a sight draft on WM. CROKER for \$684, and remitted it to ROGER WILLIAMS		684
5		
Paid E. BELL for the note held by him against J. W. SMITH, less discount for unexpired time :— Face of note Discount allowed us for 43 days Gave our check for the balance	891	6 30 884 70
6		
Sold DAVID MURPHY :— 35 Bbls. Flour @ \$6.50 32 " Pork @ \$18 Received in payment : Cash An order of WM. HARDY for His note @ 90 days	227 50 576	803 50 250 400 153 50
8		
Deposited Cash in College Bank		4000
"		
Drew a draft @ 90 days on J. W. PEPPER for \$825, in our favor, and had it discounted at the College Bank Face of draft Discount for 93 days Proceeds placed to our credit	825	12 61 812 39
9		
Sold O. GOLDSMITH House and Lot, No. 5 Church St., for Received in payment :— Cash A draft @ 30 days for \$700, drawn in his favor by JOSEPH ANDREWS on SILAS GREEN, and transferred to us by a full indorsement. The draft was accepted April 2, the date of the draft The balance charged on acct.	5700	2200
		20

ARTHABASKA, QUE., APRIL 10, 1904.

Received cash of R. GREEN for his note of the 2nd, less discount for unexpired time		
Face of note	\$340	
Discount allowed him for 85 days		\$7 55
Received cash for the proceeds		532 45
----- 10 -----		
Sold A. HILL :—		
25 bbls. Sugar @ \$12.00	300	
14 sacks Rio Coffe, 2,100 lbs. @ 25c.	525	825
Received in payment :—		
An order on us by W. HARDY for		253 25
His note at 15 days with interest		296 75
Cash		275
----- 11 -----		
Rec'd. Cash of JOSIAH GRANBY on %		295
----- 11 -----		
Sold J. W. PEPPER merchandise on %		325
----- 12 -----		
Received cash of G. BAKER, for his note in favor of J. W. SMITH, less discount for unexpired time.		
Face of note	650	
Discount allowed him for 150 days		16 03
Received the proceeds in cash		633 97
----- 12 -----		
Bought of RICHARD TABOR :—		
35 hhd. Molasses, 3,500 gallons @ 40c.	1400	
Gave in payment :—		
Cash		350
Check on college Bank		400
Our draft on JOSIAH GRANBY @ 10 days		650
----- 14 -----		
Received of J. W. PEPPER his draft at 10 days on MADISON WELLS, which WELLS accepted		325
----- 15 -----		
Prepaid our acceptance of the 4th inst., favor of JOSEPH JACKSON		
Face of draft	284	
Discount allowed us for 52 days		2 43
Gave check for the balance		281 57

ARVHABASKA, Que., APRIL 16, 1904.

Bought of DAVIS & Co. :— 300 bbls. Flour @ \$6.00. 250 " Sugar @ \$8.00 Gave in payment, Cash Accepted their draft @ 90 days, favor of JOHN- SON & BRO. Balance charged on %	\$1800 2000	\$3800 1500 1800 500
_____ 17 _____		
Sold J. W. PEPPER on % :— Merchandise		1002 50
_____ 18 _____		
Accepted DAVIS & Co.'s draft on us @ 5 days, favor of J. B. CORDON		500
_____ 19 _____		
Prepaid the note held against STUDENT, by A. J. BLACK Face of note Discount allowed us Gave a check for the balance.	733	9 78 723 24
_____ 20 _____		
Sold M. J. TYLER :— 75 bbls. Sugar @ \$10 Received in payment a draft @ 90 days in his fa- vor, drawn by KING & Co. on PARKER & Co., and which was accepted March 15. The draft was taken for its face value.	750	750
_____ 21 _____		
Received Cash of J. GRANBY on %		300
_____ 23 _____		
Sold J. W. PEPPER on % 75 bbls. Flour @ \$7.		525
_____ " _____		
Donated cash to a Charitable Institution		50
_____ 25 _____		
Sold J. MURPHY : Merchandise for Received in payment his note @ 90 days The balance charged on %	785	250 485
_____ 26 _____		
Paid our acceptance favor J. B. GORDON		500

ARTHABASKA, Que., APRIL 27, 1904.

Received cash of PARKER & BRO., for their acceptance favor M. J. TYLER, and transferred to us April 20.			
Face of acceptance	\$750		% 6 16
Discount allowed them			743 84
Received Cash			
_____ 28 _____			
Received Cash of D. MURPHY on %.			300
_____ 28 _____			
Rec'd Cash of M. WELLS for his acceptance of the 14th			325
_____ 28 _____			
Received Cash of A. HILL for his note of the 10th inst., with interest for 18 days			
Face of note	296 75		
Interest		88	
Received Cash			297 63
_____ 30 _____			
Paid Cash for Sundry Expenses			128

## JOURNAL.—(Set IV.)

ARTHABASKA, Que., APRIL 1, 1904.

SUNDRIES	<i>Dr. To College Student.</i>		\$21150 75
College Bank		\$4925 75	
Cash		3975	
Merchandise		4800	
Real Estate		5400	
Bills Receivable		585	
Wm. Croker		790	
David Murphy		675	
_____ 1 _____			
COLLEGE STUDENT	<i>Dr. To Sundries</i>	2920	
	Bills Payable		1952
	Henry Byrne		284
	Roger Williams		684
_____ 1 _____			
SUNDRIES	<i>Dr. To J. W. Smith</i>		19775
Cash		4000	
Bills Receivable		650	
J. W. Pepper		825	
Josiah Granby		1300	
Real Estate		9000	
Merchandise		4000	



## JOURNAL. — (SET IV.)

ARTHABASKA, Que., APRIL 1, 1904.

J. W. SMITH	<i>Dr. To Sundries</i>	1544	25	653	25
	Wm. Hardy Bills Payable			891	
	2				
OLIVER GOLDSMITH	<i>Dr.</i>	542		542	
	<i>To Mdse.</i>				
	2				
SUNDRIES	<i>Dr. To Mdse.</i>			840	
Cash		300			
Bills Receivable		540			
	3				
SUNDRIES	<i>Dr. To Bills Receivable.</i>			585	
Discount or Interest		9	81		
Cash		575	19		
The note is credited, because it is cancelled. Discount or Interest is debited, because it is against you, you allow John Brown a reduction of \$9.81, because he pays his note 102 days before it is due. Cash is debited because it is received.					
	4				
HENRY BYRNE	<i>Dr.</i>	284		284	
	<i>To Bills Payable.</i>				
In accepting this draft, you get out of H. Byrne's debt; he is, therefore, debited. When you accept a draft, the draft becomes for you a Bill Payable. And as it is this Bill Payable which has cancelled your indebtedness to Byrne, you must credit it.					
	4				
ROGER WILLIAMS	<i>Dr.</i>	684		684	
	<i>To Wm. Crocker</i>				
Wm. Crocker is credited because you order him to pay Williams \$684. He thus gets out of your indebtedness to that amount. Roger Williams is debited because you cancel your debt to him by ordering Crocker to pay him.					
	5				
BILLS PAYABLE	<i>Dr. To Sundries</i>	891		630	
	Interest or Discount College Bank			884	70
Bills Payable is debited because it is cancelled. Interest or Discount is credited because it is in your favor. The Bank is credited because you order it to pay out money for you.					
	6				
SUNDRIES	<i>Dr. To Merchandise</i>			803	50
Cash		250			
W. Hardy		400			
Bills Receivable		153	50		
Hardy is debited because he orders you to give Mdse. to Murphy.					

JOURNAL—(SET IV.)  
ARTHABASKA, QUE., APRIL 8, 1894.

COLLEGE BANK	<i>Dr.</i>		\$4000	
		<i>To Cash</i>		\$4000
		8		
SUNDRIES	<i>Dr.</i>	<i>To J. W. Pepper</i>		825
Interest or Discount			12 61	
College Bank			812 39	
<p>Pepper is credited because longer owes you. You sold the debt to the C. Bank for \$812.39 The Bank owes you this amount. the proceeds were placed to your credit. Interest or Discount is debited because it is against you.</p>				
		9		
SUNDRIES	<i>Dr.</i>	<i>To Real Estate</i>		\$5700
Cash			2200	
Bills Receivable			700	
O. Goldsmith			2800	
<p>The accepted draft which you receive is, for you, a Bill Receivable. As it has cost you value, it must be debited.</p>				
		10		
SUNDRIES	<i>Dr.</i>	<i>To Bills Receivable</i>		540
Interest or Discount			7 55	
Cash			532 45	
		10		
SUNDRIES	<i>Dr.</i>	<i>To Merchandise</i>		825
Cash			275	
Wm. Hardy			253 25	
Bills Receivable			296 75	
<p>Hardy is debited because he orders you to deliver Mdse. to Hill.</p>				
		11		
CASH	<i>Dr.</i>	<i>To Josiah Granby</i>	295	295
		11		
J. W. PEPPER	<i>Dr.</i>	<i>To Merchandise</i>	325	325
		12		
SUNDRIES	<i>Dr.</i>	<i>To Bills Receivable</i>		650
Interest or discount			16 03	
Cash			633 97	

JOURNAL—(SET IV.)  
 ARTHABASKA, QUE., APRIL 12, 1904.

<b>MERCHANDISE</b>	<i>Dr.</i>	<i>To Sundries</i>	\$1400	
		Cash		\$350
		College Bank		400
		Josiah Granby		650
<p>The draft that you draw on J. Granby orders him to pay \$650 to Tabor; you must, therefore, credit Granby for this amount.</p>				
14				
<b>BILLS RECEIVABLE</b>	<i>Dr.</i>	<i>To J. W. Pepper</i>	325	325
<p>The draft which Pepper gives you, and which has been accepted by Wells, is for you a Bill Receivable. Pepper is credited because he gets out of your debt.</p>				
15				
<b>BILLS PAYABLE</b>	<i>Dr.</i>	<i>To Sundries</i>	284	243
		Interest or Discount		281
		College Bank		57
<p>Your acceptance is for you a Bill Payable; as this Bill Payable is cancelled it must be debited.</p>				
16				
<b>MERCHANDISE</b>	<i>Dr.</i>	<i>To Sundries</i>	3800	1500
		Cash		1800
		Bills Payable		500
		Davis & Co.		
<p>The draft that you accepted is a written promise of payment that Davis &amp; Co. hold against you; it is a Bill Payable. As this Bill Payable pays for a part of the Mdse., it is credited.</p>				
17				
<b>J. W. PEPPER</b>	<i>Dr.</i>	<i>To Merchandise</i>	1002 50	1002 50
18				
<b>DAVIS &amp; Co.</b>	<i>Dr.</i>	<i>To Bills Payable</i>	500	500
<p>Davis &amp; Co. are debited because you pay them by accepting their draft. Your acceptance is for you a Bill Payable; it has cancelled your debt to Davis &amp; Co. and must be credited.</p>				
19				
<b>BILLS PAYABLE</b>	<i>Dr.</i>	<i>To Sundries</i>	733	976
		Interest or Discount		723
		College Bank		24

## JOURNAL—(Set IV.)

ARTHABASKA, QUE., APRIL 20, 1904.

BILLS RECEIVABLE	Dr.	To Merchandise	\$750	\$750
The draft which Tyler gives you, and which Parker & Co. have accepted, is a written promise you hold against Parker & Co. It is for you a Bill Receivable. As it has cost you value in Mdse. it must be debited.				
CASH	Dr.	To Josiah Granby	300	300
J. W. PEPPER	Dr.	To Merchandise	525	525
LOSS AND GAIN	Dr.	To Cash	50	50
SUNDRIES	Dr.	To Merchandise	250	735
Bills Receivable			485	
D. Murphy				
BILLS PAYABLE	Dr.	To Cash	500	500
Your acceptance is for you a Bill Payable; it has cost you value in cash, and must be debited.				
SUNDRIES	Dr.	To Bills Receivable	6 16	750
Interest or Discount			743 84	
CASH	Dr.	To D. Murphy	300	300
CASH	Dr.	To Bills Receivable	325	325
CASH	Dr.	To Sundries	297 63	296 75
		Bills Receivable		88
		Interest		
LOSS AND GAIN	Dr.	To Cash	128	128
In the preceding sets this transaction was journalized "Expense." We could have done the same here. But as the expense account closes into the Loss and Gain, the transaction can be journalized as above.				

In making the Ledger, give Student's acct., 12 lines; J. W. Smith, 12; Real Estate, 10; Cash, 25 or 1 page; Coll. Bank, 18; Bills Receivable, 21; Mdse, 25; W. Croker, 9; Bills Payable, 16; D. Murphy, 7; H. Byrne, 7; J. O. Goldsmith, 11; Loss and Gain, 15; R. Williams, 7; Pepper, 12; J. Granby, 10; Int. and Disc. 20; W. Hardy, 12; Davis and Co. 3.

Some of the accounts are here given :

DR.				COLLEGE STUDENT.				CR.	
1904.				1904.					
April	1	To Sundries	2920	April	1	By Sundries.		21150	75
"	30	" Loss and Gain.	531 39						
"	"	" Balance.	17699 36						
			<u>21150 75</u>					<u>21150 75</u>	
				May	1	By Balance.		17699	36

DR.				J. W. SMITH.				CR.	
1904.				1904.					
April	1	To Sundries.	1544 25	April	1	By Sundries,		19775	
"	30	" Loss and Gain.	531 40						
"	"	" Balance.	17699 35						
			<u>19775</u>					<u>19775</u>	
				May	1	By Balance		17699	35

DR.				REAL ESTATE.				CR.	
1904.				1904.					
April	1	To Student,	5400	April	9	By Sundries,		5700	
"	"	" J. W. Smith.	9000	"	30	" Bal. Inv.		9000	
		" Loss and Gain.	300						
			<u>14700</u>					<u>14700</u>	
May	1	To Balance,	9000						

DR.

## MERCHANDISE.

CR.

1904.			1904.				
April.	1	To Student,	4800	April.	2	By O. Goldsmith,	542
"	"	" J. W. Smith,	4000	"	"	" Sundries,	840
"	12	" Sundries,	1400	"	6	" "	803 50
"	16	" "	3800	"	10	" "	825
				"	"	" J. W. Pepper,	325
				"	17	" " "	1002 50
				"	20	" Bills Rec'v'able	750
				"	23	" J. W. Pepper,	525
				"	25	" Sundries,	735
				"	30	" Bal. Inv.,	6500
				"	"	" Loss and Gain	1152
			14000				14000
May	1	To Balance	6500				

DR.

## WM. CROKER.

CR.

1904.			1904.				
April.	1	To Student,	790	April.	4	By R. Williams,	684
				"	30	" Balance	106
			790				790
May	1	To Balance,	106				

Dr.		LOSS AND GAIN.		Cr.	
1904		1904			
April 23	To Cash	50 00	April 30	By Real Estate,	300 00
" 30	" "	128 00	" "	" Student,	531 39
" "	" Mdse.,	1152 00	" "	" J. W. Smith,	531 40
" "	" Int. & Disc't.,	32 79			
		1362 79			1362 79

Dr.		INTEREST AND DISCOUNT		Cr.	
1904		1904			
April 3	To Bills Rec'ble,	9 81	April 5	By Bills Payable,	6 30
" 8	" J. W. Pepper,	12 64	" 15	" "	2 43
" 10	" Bills Rec'ble,	7 55	" 19	" "	9 76
" 12	" " "	16 03	" 28	" Cash,	88
" 27	" " "	6 16	" 30	" Loss & Gain,	32 79
		52 16			52 16

# STUDENT & CO'S BALANCE SHEET FOR APRIL.

ARTHABASKA, April 30th 1904	T <small>HE</small> B <small>ALANCE</small> S <small>H</small> E <small>E</small> T	I <small>N</small> V <small>E</small> N <small>T</small> O <small>R</small> T <small>O</small> R <small>A</small>	L <small>O</small> S <small>S</small> & G <small>A</small> I <small>N</small>	C <small>OL</small> L <small>E</small> G <small>E</small> S <small>T</small> U <small>D</small> E <small>N</small> T	J. W. S <small>M</small> I <small>T</small> H	B <small>A</small> L <small>A</small> N <small>C</small> E A <small>C</small> C <small>O</small> U <small>N</small> T R <small>E</small> S <small>O</small> U <small>R</small> C <small>E</small> S L <small>I</small> A B <small>I</small> L <small>I</small> T <small>I</small> E <small>S</small>
College Student.....	2,920	21,150 75		2,920		
J. W. Smith.....	1,544 25	19,775			1,544 25	19,775
College Bank.....	9,738 14	2,289 51				7,448 63
Cash.....	15,063 08	6,258				8,475 08
Loss and Gain (Expense).....	178		178			
Merchandise.....	14,000	6,348				6,560
Real Estate.....	14,400	5,700	300			9 00 6
Bills Receivable.....	4,250 25	3,146 75				1,103 50
Wm. Crocker.....	790	684				106
D. Murphy.....	1,160	300				860
Bills Payable.....	2,408	5,427				
H. Byme.....	284	284				
K. Williams.....	684	684				
J. W. Pepper.....	2,077	1,150				
J. Granby.....	1,036	1,245				
W. Hardy.....	273 5	653 25				3,019
O. Goldsmith.....	300	52 16	32 79			
Interest and Discount.....	500					
Davis & Co.....	75,884 63	75,884 63				
			531 39	531 39		
			531 40		531 40	
			1362 79			
			Student's Net Capital.	17 699 36		17,699 36
				21,150 75		
				17 699 36		
				19,775		
				17 669 35		17,669 35
				19,775		38,417 71
				19,775		38,417 71

Student's Net Loss.  
J. W. Smith's Net Loss.

J. W. Smith's Net  
Capital.





## PRACTICE SETS FOR APRIL AND MAY.

## MEMORANDA,—1st SET.

May 1. Continuation of the same business by the same partners. Sold Wm. Croker:—35 bbls. Sugar @ \$11.50; 17 bbls. Beef @ \$16; Received in payment his note @ 15 days with interest, \$350; The balance charged on % ——. (*Enter the note into the Bill Book*). 2. Bought of Roger Williams:—125 bbls. Mess Pork @ \$16; 30 hlds. Molasses, 3000 gallons, @ 40c.; Gave in part payment:—Cash, \$825; Our check on College Bank, \$400; Accepted his draft @ 90 days, favor J. Mills, for \$950; The balance on % —— (*Bill Book*). 3. Drew a draft @ 30 days on D. Murphy for \$860, and had it discounted at the College Bank, the proceeds being placed to our credit. Face of draft.—Discount for 33 days, ——; Proceeds to our credit, ——. 4. Prepaid our acceptance of April 16th, favor of Johnson & Co.:—Face of acceptance, \$1800. Discount allowed us for 75 days, ——; Paid the proceeds in cash, (*Enter remark in B. B.*) 5. Sold Henry Byrne on %:—14 bbls. Apples @ 4.50; 18 bbls Potatoes @ \$3 20. 5. Received Cash of J. W. Pepper on %, \$225. 6. Sold Wm. Hardy:—House and Lot, No 14 Court St, for \$10500. Received in payment, Cash, \$2950; His note @ 18 days with interest, \$3000; The balance on %, ——. 8. Drew a draft @ 10 days, on Wm. Hardy, and remitted it to Roger Williams on %, \$750. 8. We have this day paid the note held against Student by A. Gorinan. (*Remark in B.B*) Face of Note, \$395; Discount allowed us for 40 days, ——; Paid the proceeds in cash, ——. 9. Sold J. Granby, on %:—30 bbls. of Flour @ \$7; 124 sacks Corn @ \$1.75. 9. Received Cash of O. Goldsmith, on %, \$1500. 11. David Nelson has this day presented us for acceptance a draft drawn on us @ 90 days, by Roger Williams, We paid the draft, less discount. Face of draft, \$275. Discount allowed us for 93 days, ——; Gave our check for the proceeds, ——. (*Debit Roger Williams for \$275*). 12. Sold J. W. Pepper, on %, 18 hlds. Molasses, 1800 gallons, @ 54c. 12. Bought of John Mason:—50 sacks of Rio Coffee, 7500 lbs @ .4c. Gave in payment, Cash \$550; Our draft @ 90 days on J. W. Pepper, for \$475; Check on College Bank, \$200; Balance on %, ——. 13. Received cash of Silas Green for his acceptance of April 2, \$700, (*B. B.*).

Journalize, post to preceding Ledger, take a Trial Balance, close accounts, and open them again.

Mdse Inventory, \$8600.

Gains: Real Estate, \$1500; Int. and Disc, \$24.32

Loss on Mdse, \$705 90.

MEMORANDA.—2<sup>ND</sup> SET.

May 15. Same business and same proprietors. Prepaid our acceptance of the 2nd inst. favor of J. Mills. Face of acceptance, \$950. Discount allowed us for 80 days; Paid the proceeds in cash. (*Insert remark in Bill Book*) 16. Received Cash of Wm. Hardy on %, \$1500. 16. Sold Joseph Hébert:—18 sacks Rio Coffee, 2700 lbs. @ 30c.; received in payment Jno. Mason's order on us, \$575; His check on Molson's Bank,—18. Deposited in College Bank, \$3000. 19. Prepaid the note held against Student by J. Grant. Face of note, \$824. Discount allowed us for 88 days; Gave check on College Bank. (*Bill Book*). 19. Received Cash of Wm. Crocker for his note of 1st inst., with interest for 18 days. Face of note, —. Interest on same, —. Received Cash. — (*Bill Book*). 20. Bought of H. Jones & Co.:—150 bbls. Sugar @ \$8. Gave in payment an order on W. Hardy, \$700. Accepted their draft @ 30 days, favor H. Walker. — (*B. B.*) 21.—Sold Henry Byrne:—30 bbls. Sugar @ \$10.; 25 bbls. Flour @ \$6.50; 10 sacks Rio Coffee, 1,500 lbs. @ 30c. Rec'd. in part payment:—His note @ 5 days with interest, \$275; (*B. B.*) Cash, \$225; The balance on % — 22. Received of J. W. Pepper a draft @ 3 days, drawn in his favor by T. Porter on E. Walker & Co., and accepted May 18. Face of draft, \$430. (*B. B.*) (*Bills Receivable to W. Pepper*). 22. Prepaid our acceptance of the 20th, favor H. Walker. Face of acceptance —. Discount allowed us for 31 days, \$ —; Gave check for the balance, — (*Remark in B. B.*) 24. Received cash of Walker & Co., for their acceptance of May 18, favor J. W. Pepper, and transferred to us by full indorsement. (*B. B.*) 25. Paid cash for sundry expenses, \$35. 27. Received cash of O. Goldsmith on % \$475. 27. Received cash of W. Hardy for his note of the 6th inst., with interest for 21 days. Face of note, —; Interest on same, — (*B. B.*) 29. Rec'd. cash of H. Byrne for his note of the 21st inst., with interest. Face of note —; Interest on note for 8 days, —. (*B. B.*) 31. Paid clerk hire in cash, \$140.

Again post into the same Ledger.

Mdse Inventory, \$9800

Student's net gain, \$793.11; his net capital \$18901.68

Smith's " " 793.11; " " " 18901.67

Resources: C. Bank, \$9123.63; Cash, \$12694.12; Mdse, \$9800; Bills Receivable, \$493.50; W. Crocker, \$430.50; H. Byrne \$533.10; J. W. Pepper, \$1369.50; J. Granby: \$482; W. Hardy, \$1600; O. Goldsmith, \$1267.

Liability: none.

MEMORANDA.—3<sup>RD</sup> SET.

APRIL 1.—College Student and J. W. Smith have this day formed a PARTNERSHIP for the prosecution of a GENERAL MERCHANDISE BUSINESS. The partners are to invest equal amounts, and to share alike the losses and gains.

College Student invests:—Cash, \$8000.00; Merchandise, \$4750.00; Joseph Simpson owes him \$980; Charles Woods owes him \$1275. Student owes the following debts, which the firm assumes:—A note @ 90 days, dated March 4, favor Jackson & Co., \$575. (*Enter in B. B.*) John Mason, \$840. (") J. W. Smith invests: Cash in College Bank, \$3800; a note @ 60 days, dated March 10, against W. Benoit, \$925.50; House and Lot, No 5 Main St., valued at \$9620. J. W. Smith owes Joseph Ditson \$755.50.

*Write out both notes, making Student's note payable at Molson's Bank, Smith's at his office. (B. B.)* (") Sold Chas. Woods, on  $\%$  25 bbls. Sugar @ \$12; 15 bbls. Flour @ \$5.75. 2. Bought of James Waters, 125 bbls. Flour @ \$5; 75 bbls. Potatoes @ \$2; 30 hhds, Molasses @ 38. Gave in payment cash, \$300; our order on J. Simpson \$775.50; accepted his draft @ 90 days, favor H. Brooks for the balance. *Write draft and acceptance, making it payable at your office.* 3. Prepaid Student's note, favor Jackson & Co., less discount for unexpired time. Face of note —; discount allowed for — days; gave a check for the proceeds —. (") Accepted Joseph Ditson's draft on us @ 45 days, favor J. Mason, \$345. *Write the draft and acceptance, making it payable at Molson's Bank.* 4. Sold J. Powell, 30 bbls. Sugar @ \$12; 12 hhds Molasses @ \$15; 36 bbls Potatoes @ \$2.50; received in payment a note @ 30 days, made in his favor by Geo. Smith and endorsed in our favor by a full endorsement. *Write the note and endorsement. Date it April 4 and make it payable at Molson's Bank.* Sold John Brewster, 55 bbls. Sugar @ \$12; 32 bbls. Flour @ \$5; received in payment his check on Molson's Bank, \$390; John Mason's order on us for \$280. *Write out check and order.* (") Deposited in College Bank, \$4000. 7. Drew a draft at 30 days, favor of ourselves, on Chas. Woods for \$700, and had it discounted at the College Bank; proceeds placed to our credit; discount for 33 days —. *Write the draft.* 8. Sold J. W. Pepper, 15 sacks Rio Coffee, 2250 lbs. @ 28c.; 24 bbls. Flour @ \$5; 1 case Men's Shoes, 50 pairs @ \$2.75. Received in payment his note @ 90 days, \$400.; the balance on  $\%$ . *Write the note, making it payable at College Bank.* 9. Bought of Jackson & Co., 25 sacks Coffee, 3750 lbs. @ 25c. Accepted their draft @ 60 days, favor of H. Jones, payable at our office, for \$450; the balance on  $\%$ . *Write draft and acceptance.* 10. Sold John Mason, House and Lot, No. 5 Main St., for \$10,500; received in payment, cash \$5000; his note at 10 days, with interest, \$3500; the balance on  $\%$ . *Write the note.*

Number of lines for each account: Student, 15; J. W. Smith, 15; Cash, 32; Mdse, 27; C. Woods, 10; J. Simpson, 8; J. Ditson, 10; Bills Payable, 16; J. Mason, 10; C. Bank, 16; Bills Receivable, 20; Real Estate, 9; Int. & Disc. 14; Pepper, 10; Jackson & Co, 8; J. Pickens, 10; Loss & Gain, 24. Balance, 1 page.

Merchandise per Inventory, \$4200.

Student's net gain, \$161.70; his net Capital \$13751.70.

Smith's " " \$161.70; " " " 13751.70.

Gains: Real Estate, \$880; Int. and Dis., \$2.15. Loss: Mdse., \$558.75.

Close accounts that show a loss or a gain as well as the partners' accts. It would be advisable also to close large accounts, small ones may remain open.

#### MEMORANDA—SET 4th

April 11.—*Same business.*—Drew a sight draft on Chas. Woods. and remitted it to Jackson & Co, on  $\%$ , \$275. *Write out the draft.* (") Received cash of J. W. Pepper for his note of the 8th inst., less discount for unexpired time. Face of note — discount allowed him for — days —; received cash for the proceeds —. 12. Prepaid our acceptance of the 9th, favor H. Jones. Face of acceptance —. Discount

allowed us for — days; gave check for the proceeds —. 14. Sold J. W. Pepper on % 12 hhd. Molasses @ \$45. — 15. Sold Chas. Woods, on % 10 sacks Coffee, 1500 lbs. @ 30c.; 3 chests Tea, 300 lbs. @ 35c. — 16. Accepted, payable at College Bank, Jackson & Co.'s draft on us for \$212.50, in favor of J. Granby, and endorsed by him to J. Kelly, by full endorsement. Draft, dated April 5, @ 3 mos. *Write draft, acceptance and endorsement.* 17 Sold Jno Pickens, merchandise for \$1089. Received in payment, cash \$500; his note @ 5 days for \$200; the balance on % —. *Write the note.* 18. Prepaid our acceptance of the 16th, favor J. Kelly, less discount for unexpired time. Face of acceptance —; discount allowed us for — days. Paid the proceeds in Merchandise —. 20. Received cash of J. W. Pepper, on % \$400. (\*) Deposited in College Bank the check received of J. Browster on the 5th. The Bank charges 25c. for collecting the checks. *Credit cash* \$300. *Debit Bank,* \$299.75. *Loss and Gain,* 25c. 21. Sold John Pickens merchandise, on % \$525. 22. Donated cash to a Charitable Institution, \$50. 23. Received cash of John Mason for his note of the 10th, with interest. Face of note —. Interest on note —. Received cash —. 24. Sold John Brown, for cash, 5 bbls. Flour @ \$6; 4 bbls. Sugar @ \$13. —. 25. Received of John Mason to apply on % his draft in my favor, \$500, dated April 23, @ 60 days from date, on John Brown; John Brown accepted the draft to-day *Write draft and acceptance, making it payable at College Bank.* 25 Received cash of John Pickens for his note of the 17th —. 26. Sold J. W. Pepper, 10 sacks Coffee, 1500 lbs. @ 30c. —. Received in payment a draft for \$450, dated April 15, @ 30 days sight, drawn in his favor by Joseph Smith on John Pickens, and transferred to us by a full endorsement. The draft was accepted April 17. *Write draft, acceptance and endorsement. Make it payable at Molson's Bank.* 28. Received cash of Jno. Pickens, on %, \$400. (\*) Deposited in College Bank, \$3000. Paid sundry expenses in cash, \$55. Post to same Ledger and close accts. Mdse Inventory, \$2150.

### LOSS & GAIN ACCOUNT, APR 30.

1904		1904					
April 30	Expense	105 25	April 30	Mdse.	1400 67		
"	"	COLL. STUDENT	652 13	"	"	Int. & Dis.	8 83
"	"	J. W. SMITH	652 12				
			1409 50				1409 50

## BALANCE ACCOUNT, APR. 30.

1904			1904		
April 30	Cash	11078 50	April 30	J. Ditson	410 50
"	"		"	"	
"	Maise	2150	"	Bills Payable	1184 50
"	"		"	"	
"	C. Woods	1241 25	"	COLL. STUDENT	14403 83
"	"		"	"	
"	J. Simpson	204 50	"	J. W. Smith	14403 82
"	"		"	"	
"	J. Mason	910	"	"	
"	"		"	"	
"	College Bank,	10781 34	"	"	
"	"		"	"	
"	Bills Receiva.	2867 50	"	"	
"	"		"	"	
"	J. W. Pepper	627 50	"	"	
"	"		"	"	
"	J. Pickens	514	"	"	
"	"		"	"	
		30402 65			30402 65

## MEMORANDA—SET 5TH.

MAY, 1. Bought of J. C. Banks, House and Lot, No. 60 Front St., for \$8750. Gave in payment, cash \$4500; accepted their draft @ 10 days, payable at College Bank, favor Jas. Grant, \$2000; our check on the College Bank for the balance —. *Write draft and check*. 2. Sold John Pickens, 25 bbls. Flour @ \$6; 3 bbls. Molasses @ \$48; 20 bbls. Sugar @ \$11. Received in part payment his note @ 90 days for \$300; balance on % —. *Write note, making it payable at our office*. 3. Drew a sight draft on Chas. Woods and remitted it to J. Ditson in full. *Write draft*. (°) Received cash of Joseph Smith for his note of April 4th ——. 4. Bought of J. Ditson, 15 bbls. Pot. @ \$13; 24 bbls. Potatoes @ \$2; 15 bbls. Sugar @ \$10. Gave in payment our order on J. W. Pepper for \$483; accepted their draft @ 10 days, payable at College Bank, favor C. Lablanc, \$300; the balance on % ——. *Write drafts and acceptance*. 5. Received cash of John Brown for his acceptance of April 27, less discount for unexpired time. Face of draft —; discount allowed him for — days; received cash —. (°) Received cash for petty sales — \$78. 7. Received cash of Jno. Mason, on %, \$49. 8. Received cash of W. Benoit for the note on % against him by J. W. Smith —. 9. Bought of Joseph Ditson, 125 bbls. Sugar @ \$11; 15 bbls. Pork @ \$12. Gave in payment, cash \$750; accepted his draft @ 75 days, payable at College Bank, favor H. Brone, \$850; the balance on % —. (°) Received cash of Chas. Wood, on %, \$125. (°) Received of J. Simpson, on %, a note @ 3 days, payable at — office, made in his favor by H. Thibault and transferred to us by a full endorsement, \$945. *Write note and endorsement*. 10. Sold John Pickens on %, 15 bbls. Pork @ \$14; 12 bbls. Flour @ 6. 11. Received cash of Jno. Pickens for his note of the 2nd, less discount for unexpired time. Face of note —; discount allowed him — days; received cash —. (°) Deposited in College Bank, \$5000. 12. Sold P. D. Billerose, House and Lot, No. 60 Front St.,

for \$7800. Received in payment his note @ 10 days, with interest, \$3800; our note of May 1, favor James Grant, and endorsed in his favor, —, cash for the balance — (“) Paid J. Ditson, on %, \$300. (“) Sold J. W. Pepper, on %, 12 bbls Sugar @ \$10; 15 bbls. Pork @ \$12; 25 boxes Valencia Raisins @ \$3.

Same Ledger again. Be sure that the accounts closed into *Balance* were opened again by carrying the Balance on the opposite side below the rulings.

Mdse Inventory, \$3400.

Student's net loss, \$576.17; his net Capital, \$13827.66.

Smith's " " 576.16; " " " 13827.66.

Losses: Mdse, \$194; Real Estate, \$950; Int. and Dis., \$8.33. No Gains.

#### MEMORANDA.—SET 6TH

May 14.—Same business as before. Prepaid our acceptance of the 8th, favor H. Brome, less discount for unexpired time. Face of acceptance —; discount allowed us for — days; gave check for the proceeds. *Write check.* (“) Bought of Jackson & Co., 75 boxes Raisins @ \$2.50; 75 boxes Dates @ \$2.75; 15 chests Java Tea @ \$32; 12 sacks Coffee @ \$37. Gave in payment our check, \$500; our sight draft on John Pickens, \$400.00; the balance on % — *Write draft and check.* 15. Received cash of H. Thibeault for his note, favor J. Simpson, and transferred to us May 9, by a full endorsement. 17. Our acceptance of the 4th, favor C. Leblanc, has been paid by the Bank and charged to our %. Sold J. Simpson, 25 boxes Malaga Raisins @ \$3; 2 chests Tea @ \$38; 8 sacks Coffee @ \$40; 24 bbls. Flour @ \$6. Received in payment J. Ditson's order on us for \$410; the balance charged on % —. 19. Accepted Jackson & Co's draft on us @ 90 days, payable at our office, favor W. Graham. *Write draft and acceptance.* (“) Received cash of J. W. Pepper, in full of % —. 21. Donated Cash to a Charitable Institution, \$50. (“) Prepaid our acceptance of the 19th, favor W. Graham, less discount. Face of acceptance —, discount allowed us for — days; paid the proceeds in cash —. 22. Bought of Chas. Woods on %, 75 bbls. Sugar @ \$8. 24. Received cash of John Mason, in full of % —. Received cash of P. D. Bellerose for his note of the 11th, with interest. Face of note —; interest for — days; received cash —. 26. Sold J. W. Pepper, on his note @ 3 days, 3 hhd. Molasses @ \$18; 10 bbls. Sugar @ \$11. Received cash of J. Simpson, in full of % —. 28. Deposited in College Bank, \$95.00. (“) Paid cash to Chas. Woods to balance % —. 31. Paid our acceptance of April 3, favor Jno. Mason, per check on College Bank —. (“) Paid clerk hire for the month, \$175.

For the last time, post into the same Ledger.

Mdse Inventory, \$3975.

The partners lose \$172.09 each and their net worth is reduced to \$13655.57.

## LOSS &amp; GAIN, MAY 31.

1904			1904		
May 31	Expense	225	May 31	Int. et Dis.	24 57
	Mdse	143 75		Coll. Student	172 09
				J. W. Smith	172 09
		368 75			368 75

## BALANCE ACCOUNT, MAY 31.

1904			1904		
May 31	Coll. Bank	21046 54	May 31	Bills Payable	839 50
	J. Pickens	610		Coll. Student	13655 57
	Mdse	3975		J. W. Smith	13655 57
	Cash	1485 10			
	Bills R'ble	1034			
		28150 64			28150 64

## Set V.

(COMMISSION SALES BOOK, LETTER BOOK  
AND BILL BOOK).

## Partnership.

In the preceding set you formed a partnership with J. W. Smith.

PARTNERSHIP is a contract between two or more competent persons to place their money, labor, and skill, or some or all of them, in lawful business or commerce, and to divide the profit and bear the loss in certain proportions. Any person competent to make a contract can enter into a partnership.



The CAPITAL of a firm is the money or property invested by the partners. To form a partnership it is not necessary that each partner should contribute money. One partner may contribute money; another may supply labor and skill; or all may contribute money and labor. What each must contribute depends upon the agreement or contract made when the partnership was formed.

PARTNERS are of four kinds: *Ostensible, Nominal, Silent, Special.*

OSTENSIBLE PARTNERS are those whose names are known, and who appear to the world as partners.

NOMINAL PARTNERS are those who have no interest in the business, but who lend their name and credit to the partnership. They do not share in the profits, or bear the losses. They are responsible to the creditors of the firm, if the creditors trusted the firm on their account. Suppose that your father, a well known business man, wishes to start you in a business, the profits of which are to be yours. As you are young and unknown, it will be difficult for you to obtain credit. In order to assist you, he allows his name to be used, so that the signboard reads: J. W. SMITH & SONS.

If the supposed firm is credited it is not on account of you, since you are not known; it is on account of your father. He is, therefore, responsible to the creditors.

SILENT PARTNERS are those whose names are not made known. They share in the profits of the business and are real partners. Their object in keeping their partnership a secret is to avoid all responsibility for the debts of the firm. If discovered, they are responsible.

PARTNERSHIP is of three kinds:—*General, Special, Limited.*

A GENERAL PARTNERSHIP is one formed for trade or business generally.

A SPECIAL PARTNERSHIP is one which is limited to a particular branch of business, or to a particular subject.

A LIMITED PARTNERSHIP is one in which one or more partners put in a certain amount of capital which is liable for the contracts of the firm, but beyond that amount the party advancing is not liable. A limited partnership is formed by a number of persons; but the names of all the partners are not known. Those whose names are known are called *general partners*, and are liable for all the debts of the firm to the extent of their property. Those whose names are not known are called *limited partners*, and are liable for the debts of the firm to the amount stated by the contract.

The TIME that a partnership is to endure depends upon the contract. If no time has been specified, the partnership may be dissolved at the pleasure of one or more of the parties. If a time has been specified, say by years, it cannot be dissolved before the expiration of the limited time, except by the mutual consent of all the parties, or by the death of one or more of them, or by a judicial decree.

The SUBJECT MATTER of a partnership is the *business* in which the partners are engaged. It is not confined to commercial business. It may exist in any kind of lawful, honest business. Lawyers, physicians, mechanics, etc., may unite in a partnership.

PROFITS AND LOSSES.—One of the important elements of a partnership contract is the division of the profits and losses. It should be distinctly stated in the contract what

proportion of the profits and losses each partner is to share. In the absence of any precise stipulations, the partners are to share equally the gains and losses.

**DISSOLUTION.**—A partnership may be dissolved at any time by the mutual consent of all the partners.

If no time has been specified, it is a partnership at will, and may be dissolved at the pleasure of one or more of the partners.

The death of a partner causes a dissolution of the partnership, unless there be in the contract an express stipulation to the contrary.

A partnership may also be dissolved by one partner selling his interest in the firm. The purchaser is not bound to become a partner, nor are the remaining partners obliged to accept him as such.

The acts of a partner may also cause a dissolution. If one of the partners of a firm were to become an habitual drunkard, or gambler, or be guilty of any act that might bring discredit upon the firm, the courts would, upon application, cause a dissolution.

**NOTICE.**—Upon the withdrawal of a partner from a partnership, public notice must be given. The party retiring should give this notice in order to protect himself from continued responsibility. The notice should be published in the newspapers of the place. To persons living in other places, and who have dealt regularly with the firm, circulars or letters should be sent.

## EQUATION OF PAYMENTS.

**EQUATION OF PAYMENTS** is the process of finding the mean time for paying several debts due at different times without interest.

The **TERM OF CREDIT** is the time allowed for the payment of a debt.

The **AVERAGE TERM OF CREDIT** is the time to elapse before several debts, due at different times, may be paid at once, without loss to debtor or creditor.

The **EQUATED TIME** is the date at which the several debts may be cancelled by one payment.

To **AVERAGE AN ACCOUNT** is to find the mean time of payment of the balance.

The **FOCAL DATE** is the date with which all the others are compared in averaging an account.

A few examples in Equation of Payments are now given.

### CASE 1.

*To find the average term of credit, when the terms of credit begin at the same time.*

(1) On June 1st you owe me \$500, due in 2 mos.; \$300 due in 3 mos.; \$800 due in 4 mos. If you decide to pay the entire debt at one time, when will it be due? *Ans.* Sept. 7th.

## SOLUTION.

500	×	2	=	1000		5100		187
300	×	3	=	900		—		30
800	×	4	=	3200		—		3,187 mos.
1600	×	—	=	5100		1600		5,610 days.

The debt will be due 3 mos., 6 das. after June 1 = Sept. 7.

## EXPLANATION.

A credit of \$500 for 2 mo.	=	a credit of \$1000 for 1 month.
" " \$300 " 3 "	=	" " " \$900 " "
" " \$800 " 4 "	=	" " " \$3200 " "
\$1600	=	\$5100

A credit of \$500 for 2 mos., of \$300 for 3 mos., and \$800 for 4 mos., is the same as a credit of \$5100 during 1 mo. Now a credit of \$1000 during 1 mo. is the same as a credit of \$1.00 during 5100 months. The question now becomes this: If I lend or credit you with \$1 during 5100 mos., for what length of time should I credit you with \$1600 in order that the favor may be the same? As the credit is for a sum 1600 times greater, it should be for a period 1600 times smaller. Hence the following rule:—

*Multiply each payment by its term of credit, and divide the sum of the products by the sum of the payments; the quotient will be the average term of credit.*

(2) On July 1st I owe you \$700, due in 3 mos.; \$500 due in 7 mos.; \$450 due in 9 mos.; \$825 due in 14 mos.; what will be the average time and the equated time? Ans 7 mos., 17 days—due Feb. 18.

## CASE II.

*To find the equated time when the credits begin at different dates.*

Ex. 1. Bon 1<sup>er</sup> of P. Beauchesne the following bill of goods:—

June 1,	on 3 mos.	credit \$250,	due Sept. 1.
July 1,	" 1 "	" \$300,	" Nov. 1.
Aug. 15,	" 3 "	" \$200,	" Nov. 15.
Sept. 25,	" 2 "	" \$700,	" Nov. 25.

If I give my note for the full amount, when will it commence to bear interest?

## SOLUTION.

250	×	0	=	—		—
300	×	61	=	18300		—
200	×	75	=	15000		—
700	×	85	=	59500		—
1150	×	—	=	92800		92800
—	×	—	=	—		64
—	×	—	=	—		1150

## EXPLANATION.

The first debt is due Sept. 1, this date will be used as the focal date.  
From Sept. 1 to Nov. 1, there are 61 days; to Nov. 15, 75 days; to Nov. 25, 85 days.

A credit of \$300 for 61 days = a credit of \$18300 for 1 day.	
“ “ \$200 “ 75 “ = “ “ “ \$15000 “ “	
“ “ \$700 “ 85 “ = “ “ “ \$59500 “ “	
“ “ \$250	
\$1150	\$92800

The credit that I have received is the same as if I had received a credit of \$92800 for 1 day, or \$1 for \$92800 days. Again the question becomes:—

If I am credited with \$1 for 92800 days, for what length of time should I be credited with \$1150 so that the favor may be the same?

As the credit is for a sum 1150 times greater, it should be for a period 1150 times smaller. By division we find this time to be 61 days. 61 days after Sept. 1 brings us to November 4, the day on which the note will begin to bear interest.

#### REMARK.

It has been already said that the *Average Term* of credit is the time to elapse before several debts, due at different times, can be paid at once, without loss to debtor or creditor. If you pay your debt before it is due, you lose the interest on your money for the unexpired time, and the creditor gains it; if, however, you pay your debt after it is due, your creditor loses the interest for the overdue time, and you gain it. In the above example two of the debts are paid after maturity; on these you gain the interest. The others are paid before maturity; on these you lose the interest. If our answer is correct the gains and losses will offset each other.

(1)	$\frac{250 \times .06 \times 61}{360}$	\$2.67	Interest you gain on 1st debt
(2)	$\frac{300 \times .06 \times 3}{360}$	.15	“ “ “ 2nd “
		\$2.82	Total gain of interest.
(3)	$\frac{200 \times .06 \times 11}{360}$	.37	Interest you lose on 3rd debt.
(4)	$\frac{700 \times .06 \times 21}{360}$	2.45	“ “ “ 4th “
		\$2.82	Total loss of interest.

Rule 1.—*Select the date at which the first debt becomes due, and multiply each debt by its term of credit reckoned from the date selected.*

Rule 2.—*Divide the sum of the products by the sum of the debts, and the quotient will be the average term of credit, estimated from the date selected.*

Ex. 2.—Bought of L. O. Pepin & Son, the following bill of goods:—

Jan. 15, 1894,	a bill amounting to \$500	on 2 mos.	credit.
Feb. 1, “ “	“ “	350	“ 3 “ “
Feb. 19, “ “	“ “	100	“ 2 “ “
Mar. 17, “ “	“ “	380	“ 4 “ “

If I gave my note for the amount, when will it become due? Ans. May 2.



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## AVERAGING ACCOUNTS.

AVERAGING AN ACCOUNT is the process of finding the mean time for the payment of the balance of the account.

DR.		COLLEGE STUDENT.				CR	
March 9	To Mdse,	300	March 20	By Cash,	247	25	
May 12	" "	473	20 April 11	" draft @ 10 days,	400		
June 19	" "	564	20 July 10	" Cash,	259	55	

## OPERATION.

DUE	TIME	ITEMS	PRODUCTS	DUE	TIME	ITEMS	PRODUCTS
March 9	00	300	.....	March 20	11	247 25	2719.75
May 12	64	473 60	30310.40	May 14	66	400	26400.
June 19	102	564 20	57548.	July 10	123	259 55	31924.65
		1337 80	87858.40			906 80	61043.40
		906 80	61043.40				
Balances,		431	26815.				

$$26815 \div 431 = 62. \quad \text{Mar. 9} + 62 \text{ da} = \text{May 10.}$$

Select the date of the first item due as the focal date, and find the time the others are due after it, allowing 3 days of grace to the draft. The products are obtained as in the cases given, and the balance found between the two sides and also between the products. If made payable on March 9, the debtor items would suffer a loss = to the interest on \$87,858.40 for 1 day, and the creditor items the interest on \$61,043.40 for 1 day. Subtracting the products, we see that the net loss would be for the debtor items the interest on \$26,815 for 1 day, or on \$1. for 26,815 days. The balance of the account is \$431. A credit of \$1. for 26,815 days is the same as a credit of \$431 for  $26,815 \div 431 = 62$  days.

## SHIPMENTS AND CONSIGNMENTS.

The transactions of June will consist principally of *Shipments* and *Consignments*, thus composing a *Commission business*.

COMMISSION is a percentage paid to an agent for transacting business.

AN AGENT is one who acts for and by authority of another called the *Principal*.

AGENTS are of two kinds:—*General* and *Special*.

A GENERAL AGENT is one appointed by a principal to transact all the business growing out of a particular employment.

A SPECIAL AGENT is one appointed for a particular transaction.

A COMMISSION MERCHANT is one who sells goods for another, receiving as compensation a certain percentage of the sales. The goods are in his possession: he is bound to take as good care of the property or merchandise sent him as if it belonged to him.

A BROKER is one who transacts business or makes bargains for others. The broker differs from the commission merchant in not having the goods in his possession.

CONSIGNMENT. When goods are received from a merchant to be sold on his account and risk, they are called a *consignment*.

SHIPMENT. When goods are sent to a commission merchant to be sold on account and risk of the shipper, they are called a *Shipment*.

STORAGE is a charge made for keeping the goods.

GUARANTY is a charge made by an agent for securing the owner against the risk of non-payment, when goods are sold on credit.

THE CONSIGNOR is the person that ships the goods.

THE CONSIGNEE is the person to whom they are shipped.

AN ACCOUNT SALES is a written statement rendered by an agent or consignee to the consignor, of the sale of the goods, the charges, and the net proceeds.

The NET PROCEEDS are the sum left after the commission and other charges have been deducted from the sales.

## ACCOUNT SALES.

As this set will embrace *Shipments and Consignments*, particular attention should be paid to the method for finding when the proceeds are due. The method is about the same as in averaging accounts.

Debit the consignment for all charges, such as freight, if you paid it, storage, commission, guaranty, and credit it for the sales.

The expenses incurred in receiving the goods are considered due when paid, but commission and guaranty are due at the average maturity of the sales. Storage is due on the day of the last sale.



*REMARKS.—In averaging the sales, when the earliest date is not the first of the month, much labor will be saved by assuming the first of the month as the focal date. The result will, of course, be the same as if the date of the first sale is used as the focal date*

Ex. 1. Account sales of 500 bbls. Sugar, received from New Orleans, per Ship "Louisiana," on % of Jones, Smith & Co.

1894				
May	10	Sold 125 bbls. @ \$12, Cash		\$1500
"	15	" 250 " @ \$13, on 30 days.		3250
"	25	" 125 " @ \$14, " 60 "		1750
				6500
		CHARGES.		
May	1	To Freight and Drayage	\$275	
"	25	" Storage @ 5c. per bbl.	25	
June	17	" Commission on \$6,500 @ 5 %	325	
"	"	" Guaranty on \$5,000 @ 3 %	150	775
		Net proceeds		5725

SOLUTION.

Average the sales to find when the commission and guaranty are due, using May 1 as the focal date.

May 10		1500 × 9 =	13500	9 days from May 1 to May 10	
May 15	30	June 14	3250 × 14 =	143000	14 " " " June 14
May 25	60	July 24	1750 × 24 =	147000	24 " " " July 24
			6500	303500	
		303500			
		6500			= 17 days, after May 1, = June 17.

DUE	TIME	ITEMS	PRODUCTS	DUE	TIME	ITEMS	PRODUCTS		
May	1	00	275	0000	May	10	9	1500	13500
"	25	24	25	600	June	14	41	3250	143000
June	17	47	475	22325	July	24	84	1750	147000
			775	22925				6500	303500
								775	22925
								5725	280575

280575  
 5725  
 ————— = 49  
 May 1 + 49 days =  
 June 29, the date on  
 which the proceeds  
 are due.



Average the sales to find when the Commission and Guaranty are due, using June 1 as Focal Date.

DUE.	TIME.	ITEMS.	PRODUCTS	
June 5	4 da	1750	7000	134268.75
" 9	8 "	525	4200	3543.75
Sept. 6	97 "	1268 75	123068.75	June 1 + 38 days gives July 9.
		3543 75	134268.15	

DUE.	TIME.	ITEMS.	PRODUCTS.	DUE.	TIME.	ITEMS.	PRODUCTS.	
June 1	0	75	0000	June 5	4 da	1750	7000	128662.69
" 9	8	15	120	" 9	8 "	525	4200	339.38
July 9	38	144 37	5486 06	Sept. 6	97 "	268 75	123068 75	June 1 + 39 das = July 10.
		234 37	5606 06			3543 75	134268 75	
						234 37	5606 06	
						3309 38	128662 69	

The closing transaction of the consignment is journalized as follows:—

Brown & Co.'s Consignment Dr.	To Sundries	\$3,468.75.
	Guaranty and Commission	144.57
	Storage	15
	John Brown & Co.	3309.38

Guaranty, Commission and Storage being in your favor are credited. John Brown & Co. are credited for their net proceeds. The consignment is debited to you for the commission, etc. It is debited to John Brown & Co., in order to close the account. The goods of the consignment being sold, the account is closed by transferring the difference between the sides to the consignor's account. If you had remitted cash to John Brown & Co., you would have credited cash for \$3309.38.

The method of journalizing consignments being always the same, it will not be necessary to renew the explanations in the text. To find the net proceeds of the consignor, add up all the expenses—freight, storage, commission, guaranty, drayage, cooorage, and subtract these expenses from the total sales.

## SHIPMENTS.

*Debit the shipment for its cost; credit it for its proceeds.*

Shipped John Brown & Co., Sherbrooke, to be sold on our account and risk, 500 bbls. Flour, invoiced at \$6; paid freight in cash \$25.

## JOURNAL ENTRY.

Shipment to Sherbrooke, Dr. To Sundries \$3025.

Mdse.	3000	
Cash		25

The shipment has cost you value, and is debited.

Received an account sales from JOHN BROWN & Co., Sherbrooke, of the flour shipped them. Our net proceeds are \$3800.

When the shipment was made, we debited it for its cost; now that it produces value we must credit it. The Journal entry of the transaction is:—

JOHN BROWN & Co. Dr.

To Shipment to Sherbrooke.

John Brown & Co. are debited because they owe us \$3800; had they remitted us cash for our net proceeds we would have debited cash.

The shipment is debited \$3025, and credited \$3800; the difference between the two sides shows our gain. Shipments, therefore, close into the Loss and Gain Account.

## FREIGHT BILL.

Way-Bill No. 22.

Date June 1.

Car No. 1582.

Student & Co.

Arthabaska Station.

June 1, 1904.

To the Grand Trunk Railway, Dr.,

For Freight from Sherbrooke.

Articles	Weight.	Rate per 1000	Charges.
500 bbl's. Flour	100000	75c.	\$75
Received Payment A. Porter June 1, 1904.		Advanced	\$75

## INVO ES.

An **INVOICE** is a detailed statement furnished by the seller to the buyer, giving a description of the merchandise and the prices.

A **RECEIPT** is a statement signed by the giver, acknowledging that he has received a specified amount of money or goods.

A receipt of money may be for a full payment of a debt, or for a partial payment. All receipts should be preserved.

Bill for Goods bought at one time,

ARTHAHASKA, May 1, 1904.

COLLEGE STUDENT,

Buyer of F. BARBER,

1	Dozen Silk Handkerchiefs, @	25c.	3 00	
$\frac{1}{4}$	" Woollen Shirts, "	\$1.25	3 75	
$\frac{1}{2}$	" " Stockings, "	30c.	1 80	8 55
	Received Payment,			
	F. Barber,			
	Per H. Barber.			

## DAY BOOK (Set V.)

ARTHABASKA, QUE., JUNE 1, 1904.

COLLEGE STUDENT and J. W. SMITH have, this day, entered into partnership, for the prosecution of a General Commission and Grocery Business. The partners are to invest equal amounts, and to divide equally the gains and losses.

## COLLEGE STUDENT invests :—

Cash	\$2890	
Merchandise	4354	

A note, dated May 15, made in his favor by JOHN GRANT, @ 90 days, and payable at College Bank. (B.B.)	735	\$7979
---	-----	--------

1

## STUDENT OWES :—

A note in favor JOHN BROWN, dated May 25, @ 15 days, payable at J. Cartier Bank.

E. Barnes, on %	350	
W. Walker "	425	
	275	1050

1

## J. W. SMITH invests ;—

Cash	1800	
Merch.	3950	

E. B. Edison owes him on %	784	
A note against H. Graham, due July 18	395	6929

2

Shipped Wm. ANDERSON, Albany, to be sold on our account and risk :—

100 bbls. Flour @ \$6.50

100 " Sugar @ \$10.

The flour was taken from store ; the sugar was bought of Wm. Ward on our note at 3 mos.

Paid freight in cash	10	
----------------------	----	--

3

Received per G. T. R.R., and consigned to us by JOSEPH LEBLANC, Montreal, to be sold on his account and risk, 300 bbls. Superfine Flour.

Paid freight on same.	45	
-----------------------	----	--

3

Received cash of E. B. Edison on %

485

4

Sold R. EDWARDS on %, @ 30 days :—

50 bbls. Flour (from store) @ \$7

75 " " (LeBlanc's consigt.) @ \$7.50

DAY BOOK—(SET V.)  
 ARTHABASKA, Que., JUNE 4, 1904.

H. GRAHAM has this day paid the note held against him by J. W. Smith. Face of note Discount allowed him for _____ days Received cash for the proceeds	5	\$395	
Paid cash to E. BARNES on _____ _____ 5 _____	5		\$200
Shipped per G. T. R. R., and consigned to G. Hébert Aton, to be sold on our account and risk:— 75 bbls. Beans @ \$9 175 " Potatoes @ \$2 Paid freight in cash	6	25	
Sold W. NELSON for cash:— 50 bbls Flour (LeBlanc's consig't) @ \$7.25	6		
Received per G. T. R. R., and consigned to us by W. Wellman, Warwick, to be sold on his _____, and risk:— 400 bbls. Baldwin Apples Paid freight on same	8		50
Sold S. GAUTHIER:— 25 bbls. Mess Pork @ \$16 Received in part payment, Cash The balance charged on _____	9	400	250 150
Sold Thos. ROBERTSON for cash:— 125 bbls. Flour (LeBlanc's consig't) @ \$7 125 " Apples (Wellman's " ) @ \$3	9		
Deposited in College Bank	9		3000
Sold JOHN BLAIR for cash:— 10 bbls. Sugar @ \$12	10		
We have taken to our account from Wellman's consignment: 225 bbls. Apples @ the market price, \$2.75			

DAY BOOK—(SET V.)  
ARTHABASKA, QUE., JUNE 10, 1904.

Sold D. LEWIS for cash :— 50 bbls. Flour (LEBLANC's consig't.) @ \$7			
10			
Closed JOSEPH LEBLANC's consignment and rendered him an Account Sales. Our Charge for storage		\$15	
2150 × .05      Commission @ 5 %		107 50	
562.50 × .05      Guaranty @ 5 % (credit sales)		28 12	
Joseph LeBlanc's net proceeds		1954 38	\$2105
Due by equation, June 16—			
12			
Received an Account Sales from Wm. ANDERSON of the goods shipped him on the 2nd inst Our net proceeds, remitted in cash.			1950
12			
Bought of W. H. HALL :— 2750 bushels Wheat @ 90c. Shipped the Wheat to Quebec, per G. T. R. R., where it is to be delivered on board the steamer "Morning Star," and consigned to W. G. Mercier, Liverpool to be sold on our account and risk. Paid freight.		2175	
13		75	2550
Prepaid our note of the 2nd inst, favor of W. Ward, less discount for unexpired time. Face of note. Discount allowed us for 84 days Gave check for the proceeds.			
13			
Sold E. B. EDISON :— 50 bbls. Sugar @ \$12. 50 " Apples (Wellman's consig't) @ \$3 Received in payment a note for \$400 in his favor, with interest. The note is made by H. Gladu; it is dated April 15 and is due June 30. Interest to date allowed him Received cash for the balance		600 150	
13			400 3 88 346 12
Closed W. WELLMAN's consignment, and rendered him an account sales. Our commission @ 5 % Storage W. Wellman's net proceeds remitted in cash			12



## DAY BOOK—(Sht V.)

ARTHABASKA, QUE., JUNE 16, 1904.

Paid J. LEBLANC's sight draft on us in full of his account.		\$1954	38
----- 16 -----			
Drew a draft at 10 days from date on S. Gauthier, in favor of ourselves for his debt of the 8th inst. Discounted the draft at the College Bank, and received credit for the proceeds. Face of draft Discount for 13 days Proceeds to our credit			
----- 16 -----			
Received an Account Sales from G. HÉBERT of the goods shipped him on the 5th inst., our net proceeds, due July 16, are		1350	75
----- 17 -----			
Drew a draft @ 27 days on G. HÉBERT, favor W. G. Hall, for \$1350.75, and remitted it to Hall, to apply on % less discount for 30 days.			
----- 18 -----			
Sold J. GREEN.— 50 bbls Sugar @ \$12. Received in part payment a note made by Edward Black in Green's favor, dated April 6, @ 6 mos., with interest @ 6 % Accrued interest allowed him Balance charged on account		300	3 60
----- 18 -----			
Received per G. T. R. R., and consigned to us by John Mason & Co., St. Hyacinthe, to be sold on their account and risk, 400 bbls. Flour. Paid freight in cash			60
----- 20 -----			
Sold A. ROYAL on % @ 90 days :— 125 bbls. Flour (Mason & Co.'s consigt) @ \$7.25			
----- 20 -----			
Sold WM. CROKER :— 30 bbls. Sugar @ \$12 3 hhd's. Molasses @ \$34 24 bbls. Mess Pork @ \$18 Received in payment :— A note made by H. Jones & Co., in his favor, dated May 15, @ 3 mos., Less discount for unexpired time, 59 days W. Walker's order on us for Received cash for the balance		291	300 275 321 91

DAY BOOK—(SET V.)  
 ARTHABASKA, Que., JUNE 21, 1904.

Sold J. GREEN @ 60 days:— 150 bbls. Flour (M. & Co.'s Consig't) @ \$7.50	2550
22	
Sold H. LAPOINTE on %:— 25 bbls. Sugar @ \$12	
23	
Received notice this day from the owners of the steamer "Morning Star," which we shipped 2750 bushels Wheat, that the steamer was sunk by collision. Vessel and cargo a total loss.	2550
24	
Sold J. T. SMYTHE for cash:— 125 bbls. Flour (M. & Co.'s Consig't.) @ \$7. 30 bbls. Sugar @ \$12.	
24	
Closed MASON & Co.'s Consignment and rendered them an Account Sales Our Commission @ 5 % Guaranty " " on credit sales Storage " 3c. per bbl. Mason & Co.'s net proceeds Due by equation, July 25	
25	
Drew a draft @ 30 days on J. GREEN, favor W. G. Hall, and remitted it to Hall on	300
26	
H. LAPOINTE has failed in business, and can pay but 25 cent on the dollar. Received cash, 300 x .25 The balance we consider as lost	75 225
27	
Sold J. B. GORDON for cash:— 50 bbls. Flour @ \$6.50	
27	
Bought of BELFORD & Co.:— 25 hds. Molasses @ \$34. Accepted their draft @ 90 days, favor of Joseph Fairbanks & Co Gave check for the balance	600

DAY BOOK—(SET V.)  
 ARTHABASKA, QUE., JUNE 29, 1904.

Deposited in College Bank	\$1500
_____ 29 _____	
The draft drawn on S. GAUTHIER, on the 16th inst., was to-day returned for non-payment. Gave the Bank our check to cover the draft.	
_____ 30 _____	
Received cash for petty sales during the month	325
_____ 30 _____	
Received cash of H. GLADU for his note in favor of E. B. Edison, transferred to us by Edison on the 13th inst.	
Interest for — days,	
_____ 30 _____	
Paid cash for sundry expenses	140

# JOURNAL.—(Set V.)

ARTHBASKA, Que., JUNE 1, 1904.

Cash		\$2890	
Merchandise		4354	
Bills Receivable		735	
	To Bills Payable,		\$350
	“ E Barnes		425
	“ W. Walker,		275
	“ College Student,		6929
<p>By this mode of opening the Journal, Student is credited for his net investment.</p>			
1			
Cash		1800	
Merchandise		3950	
E. B. Edison		784	
Bills Receivable		395	
	To J. W. Smith		6929
2			
SHIPMENT TO ALBANY			
	To Mdse.		
	“ Bills Payable		
	“ Cash		
<p>The shipment is debited for its cost. Mdse. is credited because it has produced value in the shipment. A portion of the goods you sent to Albany was bought on your note: the note has produced value and must be credited. The merchandise that you sent to Albany is not sold to Anderson: you cannot therefore debit him for the value of the goods. When the goods are sold, open an account with him, unless he remits cash.</p>			
3			
JOSEPH LEBLANC'S CONSIGNMENT,		45	
	To Cash		45
<p>The consignment is debited because it costs you value in cash.</p>			
3			
CASH		485	
	To F. B. Edison		485

JOURNAL.—(SET V.)

ARTHABASKA, Que., JUNE 4, 1904.

R. EDWARDS	To Merchandise " LeBlanc's Consignment	.....	.....
Mdse. is credited because it produced value ; for the same reason LeBlanc's Consignment is also credited. Consignments must be debited when they cost you ; they must be credited when you sell the Mdse. composing them.			
4 -----			
Interest or Discount Cash	<i>To Bills Receivable</i>	.....	.....
5 -----			
E. BARNES	<i>To Cash</i>	\$200	\$200
5 -----			
SHIPMENT TO ACTION	To Mdse. " Cash	.....	25
The shipment is debited for its cost. Mdse. is credited because it has produced value ; Cash, because it has been paid out.			
6 -----			
CASH	<i>To J. Leblanc's Consignment</i>	.....	.....
The consignment must be credited whenever the goods belonging to it are sold.			
6 -----			
W. WELLMAN'S CONSIGNMENT	<i>To Cash</i>	50	50
Wellman's Consignment has cost us cash ; it must therefore be debited.			

JOURNAL— (Set V.)

ARTIBASKA, QUE, JUNE 8, 1904

Cash		.....	
S. Gauthier	<i>To Mdse</i>	.....	.....
<hr/>			
	9		
CASH	To LeBlanc's Consignment	.....	.....
	“ Wellman's “	.....	.....
<p>These consignments must be credited because they produce value.</p>			
<hr/>			
	9		
COLLEGE BANK	<i>To Cash</i>	\$3000	\$3000
<hr/>			
	9		
CASH	<i>To Merchandise</i>	.....	.....
<hr/>			
	10		
MERCHANDISE	<i>To Wellman's Consignment</i>	.....	.....
<p>The bbls. that you take to your possession become for you Mdse. ; hence Mdse. must be debited. Wellman's Consignment must be credited for the value it produces.</p> <p>It may be objected to a transaction of this kind, that an agent has no right to buy for himself property intrusted to him for sale, as his interest is opposed to that of his principal, his interest requiring that the property be bought at the lowest price possible, while that of the principal requires that it be sold at the highest rate possible. The objection would be valid were the agent himself to fix the prices ; in our transaction we give the market value, the price that any merchant would have paid for the goods.</p>			
<hr/>			
	10		
CASH	<i>To J. LeBlanc's Consignment</i>	.....	.....

JOURNAL.—(SET V.)

ARTIABASKA, QUE., JUNE 10, 1904.

J. LEBLANC'S CONSIGNMENT		\$2105	
	To Storage		\$15
	" Commission		107 50
	" Guaranty		28 12
	" J. LEBLANC		1954 38
<p>The consignment must be debited for the different charges you hold against it : Storage, your charge for keeping the goods ; Commission, your charge for selling the goods ; Guaranty, your charge for assuming responsibility on credit sales. The consignment must now be closed by crediting J. LeBlanc for his net proceeds.</p>			
----- 12 -----			
CASH	To Shipment to Albany	1950	1950
<p>We debited the Shipment for its cost ; Now that it produces value in cash we must credit it.</p>			
----- 12 -----			
SHIPMENT TO LIVERPOOL	To W. G. Hall	2550	2475
	" Cash		75
<p>Shipment to Liverpool is debited for its cost ; W. G. Hall is credited because you did not pay him for the wheat you sent to Liverpool. Cash is credited because it is paid out.</p>			
----- 13 -----			
BILLS PAYABLE	To Interest	.....	.....
	" College Bank		.....
----- 13 -----			
Bills Receivable	To Mdse.		
Interest or Discount	" Wellman's Consignment		
Cash			
<p>Interest or discount must be debited because it is against you. The accrued interest pays for a portion of the Mdse. Edison bought.</p>			

JOURNAL—(SER. V.)  
 ALBERTA, Que., JUNE 13, 1904.

<p>W. WELLMAN'S CONSIGNMENT,</p>	<p>To Commissio                  " Storage                  " Cash</p>	<p>.....</p>	<p>.....                  .....                  .....</p>
<p>Cash is credited because it is paid out. Instead of placing Wellman's net proceeds to his credit, you paid him cash.</p>			
<p>----- 16 -----</p>			
<p>J. LEBLANC,</p>	<p>To Cash</p>	<p>1954 38</p>	<p>\$1954 38</p>
<p>LeBlanc's draft is an order on you to pay to another party the money you owe him. In paying the draft, you pay LeBlanc, who must therefore be debited.</p>			
<p>----- 16 -----</p>			
<p>Interest or Discount                  College Bank</p>	<p>To S. Gauthier</p>	<p>.....</p>	<p>.....</p>
<p>Gauthier is credited because you sell the debt you hold against him. The draft which you make is held against him by the bank. Should he refuse to pay it at maturity, the Bank will return it to you, and Gauthier will owe you as before the draft was drawn.</p>			
<p>----- 16 -----</p>			
<p>GEO. HEBERT</p>	<p>To Shipment to Acton.</p>		
<p>Geo. Hébert is debited because he has not remitted you the net proceeds of your shipment to Acton. The shipment is credited because it has produced value.</p>			
<p>----- 17 -----</p>			
<p>Discount                  W. G. Hall</p>	<p>To G. Hébert.</p>	<p>6 66                  1344</p>	<p>1350 75</p>
<p>Hébert is credited because he no longer owes you. The draft orders him to pay Hall. Hall is debited because you cancel your debt or a portion of it, by ordering Hébert to pay him. But you do not count the draft for its face value, but for its real value. You therefore lose the interest on it for 30 days. Hence discount, being against you, must be debited.</p>			



JOURNAL—(Set V.)

ARTHABASKA, QUE., JUNE 18, 1904.

Bills Receivable Interest or Discount John Green	<i>To Merchandise</i>	\$300 3 60 297 40	\$600
<p>Merchandise is credited because it has produced value. Bills Receivable is debited because it has cost value. This note has been drawing interest, the interest to date, \$3.60, you allow Jno. Green; it is therefore against you, and must be debited.</p>			
----- 18 -----			
MASON & Co.'s CONSIGNMENT	<i>To Cash</i>	60	60
<p>The consignment costs you \$60; it is therefore Dr.</p>			
----- 20 -----			
A. ROYAL	<i>To Mason &amp; Co.'s Consignment</i>		
----- 20 -----			
Bills Receivable W. Walker Cash	<i>To Merchandise</i> <i>Interest and Discount</i>	300 275 321 91	894 2 91
<p>Bills Receivable and Cash are debited because they have cost you value in Mdse. Walker is debited, because it is on account of his order that you give Croker Mdse. to the value of \$275. Mdse. has produced value, and is credited. You do not accept the note for its face value, but for its real value. The difference between these values is \$2.91. If you keep the note until maturity, you will gain the interest on it.</p>			
----- 21 -----			
J. GREEN	<i>To Mason &amp; Co.'s Consignment</i>		
----- 22 -----			
H. LAPOINTE	<i>To Merchandise</i>		

JOURNAL.—(SET V.)  
 ARTHABASKA, Que., JUNE 23, 1904.

LOSS & GAIN		\$2550	
	<i>To Shipment to Liverpool</i>		\$2550
<p>The goods forming the "Shipment to Liverpool" being lost, the account is closed by Loss and Gain.</p>			
	24		
CASH		.....	.....
	<i>To Mason &amp; Co.'s Consignment</i>		.....
	<i>" Merchandise</i>		.....
	24		
MASON & Co.'s CONSIGNMENT		.....	.....
	<i>To Commission</i>		.....
	<i>" Guaranty</i>		.....
	<i>" Storage</i>		.....
	<i>" Mason &amp; Co.</i>		.....
	25		
W. G. HALL		300	
	<i>To J. Green</i>		300
<p>Hall is debited because you cancel your debt to him to the amount of the draft. Green is credited because you order him to pay Hall.</p>			
	26		
Cash		75	
Loss and Gain		225	
	<i>To H. Lapointe</i>		300
<p>H. Lapointe is credited because in paying you \$75, you gave him a receipt in full of acc. Cash is debited because it is received; Loss and Gain is debited for the amount you lose by Lapointe's failure in business.</p>			
	27		
CASH		.....	.....
	<i>To Merchandise</i>		.....



As June and July present the same business, the posting will be made to the same Ledger. Give the Partners' accounts 17 lines or half a page each; Cash, 1 page; Bills Rec'ble, 15 lines; Bills Payable, 15; E. Barnes, 9; Mdse, 1 page; Walker, 3 lines; Ship't to Albany, 5; Leblanc's Con. 7; Edwards, 6; Int. and Disc., 18; Ship't to Acton 4; Wellman's Con.,; Loss and Gain, 30; C. Bank, 25; Gauthier, 6; Storage, 16; Commission & Gua, 15; J. Leblanc, 5; Ship't to Liverpool, 3; Hall, 7; Hébert, 3; Mason & Co's Con., 6; A. Royal, 8; H. Lapointe, 3; J. Mason & Co., 5; Green, 10; Vallière's Con., 6; Ship't to Stanfold, 5; E. Johnson, 3; H. Vallière, 3; Ship't to Ottawa, 4; A. Gagnon, 4; Barnes' Con., 5; Mercier, 3; Aston's Con., 5.

When an account becomes crowded out, it is closed and transferred to another page. In the case of Mdse and other accounts that show a loss or a gain, the sums of debits and credits may be carried to the new page.

If desired, the posting may be made up to June 16 exclusively and the accounts closed, at least those showing a loss or a gain together with the proprietors' accounts.

At that stage of the business the inventories will be the following: Merchandise, \$6000; Shipment to Acton, \$1050; Shipment to Liverpool, \$2550.—Here is presented the:

#### LOSS AND GAIN ACCOUNT FOR JUNE 14.

	Losses.	Gains.
Merchandise		222 25
Ship't to Albany		260
Interest & Disc.		7 07
Storage		27
Comm & Guaranty		192 67
College Student	354 51	
J. W. Smith	354 50	
	709 01	709 01

In case the gain was found on June 14, we now give the result at the end of the month.

Inventory of Mdse, \$3000.

Each partner undergoes a loss of \$1701.96.

The resources and liabilities are given in the next Balance account.

If accounts are closed only at the end of the month, your Trial Balance, Loss and Gain, and Balance accts should agree with the following.

## TRIAL BALANCE FOR JUNE.

	DR. AMOUNTS Cr.		DR. DIFFERENCES Cr.		INVENTORY.
College Student,		6929		6929	
J. W. Smith,		6929		6929	
Cash,	12882 67	8113 94	4768 73		
Bills Receivable,	2130	795	1335		
Merchandise,	9772 75	5949	3823 75		3000
Bills Payable,	1000	1950		950	
E. Barnes,	200	425		225	
W. Walker,	275	275			
E. Edison,	784	485	299		
Shipment to Albany,	1690	1950		260	
J. LeBlanc's Cons't,	2150	2150			
R. Edwards,	912 50		912 50		
Interest and Discount,	17 32	21 72		4 40	
Shipment to Acton,	1050	1350 75		300 75	
W. Wellman's Cons't.,	1143 75	1143 75			
S. Gauthier,	300	150	150		
College Bank,	4649 68	1386 19	3263 49		
Storage,		39		39	
Commis'n & Guaranty,		439 68		439 68	
J. LeBlanc,	10 38	1954 38			
Shipment to Liverpool,	2550	2550			
W. G. Hall,	1644 09	2475		830 91	
G. Hébert,	1350	1350			
J. Mason & Co.'s Cons't	2906 25	2906 25			
A. Royal,	906 25		906 25		
H. Lypointe,	300	300			
Loss and Gain,	2915		2915		
J. Mason & Co.,		2587 38		2587 38	
Jno. Green,	1421 40	300	1121 40		
	54904 42	54904 42	19493 42	19493 42	

DR.		LOSS AND GAIN.		CR.	
1904			1904.		
June	23 To Ship't to Liverpool	2550	June	30 By Ship't to Albany	260
"	26 " H. Lapointe.	225	"	" " Interest & Dis.	4 40
"	30 " Cash,	140	"	" " Ship't to Acton,	300 75
"	" " " Mdae.,	823 75	"	" " " Storage,	39
			"	" " " Com. & Guaranty	439 68
			"	" " " J. W. Smith,	1347 46
			"	" " " College Student	1347 46
		3738 75			3738 75

DR.		BALANCE ACCOUNT.		CR.	
1904.			1904		
June	30 To Cash	4768 73	June	30 By Bills Payable,	950
"	" " " Mdse. (Inv.),	3000	"	" " " E. Barnes,	225
"	" " " Bills Receivable	1335	"	" " " W. Hall,	830 91
"	" " " E. Edison,	299	"	" " " Mason & Co.,	2587 38
"	" " " R. Edwards,	912 50	"	" " " J. W. Smith,	5581 54
"	" " " S. Gauthier,	150	"	" " " College Student	5581 54
"	" " " College Bank,	3263 49			
"	" " " A. Royal,	906 25			
"	" " " J. Green,	1121 40			
		15,756 37			15,756 37

ACCOUNT SALES of 300 bbls. Superfine Flour, received from Joseph LeBlanc, Montreal,  
to be sold on his account and risk.

1904.		
June	4 Sold R. Edwards on account, at 30 days, 75 bbls. at \$7.50.....	\$562 50
"	6 Sold W. Nelson for Cash, 50 bbls. at \$7.25.....	362 50
"	9 Sold T. Robertson for Cash, 125 bbls. at \$7.00.....	875
"	10 Sold D. Lewis for Cash, 50 bbls. at \$7.00.....	350
		<hr/> 2150
	Charges.....	
June	3 To Freight.....	15.
"	10 " Storage.....	15.
"	15 " Commission on \$2150. at 5 % .....	107.50
"	" " Guaranty on \$562.50 at 5 % .....	28 12
		<hr/> 195 62
	J. LeBlanc's net proceeds.....	\$1954 38
	Due by equation, June 16.	
	E. E. ARTHABASKA, June 10, 1904.	
	COLLEGE STUDENT & SMITH, Per STUDENT.	

ACCOUNT SALES of 400 bbls. Apples, received from W. Wellman, Warwick, to be sold on his account and risk.

1904.			
June	9	Sold T. Robertson for Cash, 125 bbls. at \$3.00 .....	375
"	10	We have taken to our account, 225 bbls. at \$2.75 .....	618 75
"	13	Sold E. B. Edison for Cash, 50 bbls. at \$3.00 .....	150
			1143 75
		Charges	
June	6	To Freight .....	\$50.
"	13	" Storage .....	12
"	"	" Commission .....	57.19
			119 19
		W. Wellman's net proceeds.....	1024 56
		Remitted in cash.	
		E. E. ARTHABASKA, June 13, 1904.	
		STUDENT & SMITH, Per SMITH.	

ACCOUNT SALES of 400 bbls. Flour received from John Mason & Co, St. Hyacinthe, to be sold on their account and risk.

1904.			
June	20	Sold A. Royal on account, at 30 days, 125 bbls. at \$7.25 .....	906 25
"	21	Sold J. Green on account, at 60 days, 50 bbls. at \$7.50 .....	1125
"	24	Sold J. T. Smythe for Cash, 125 bbls. at \$7. ....	875
			2906 25
		Charges	
June	18	To Freight .....	\$ 60
"	24	" Storage .....	12
July	24	" Commission on \$2906 25 at 5 per cent .....	145.31
"	"	" Guaranty on credit sales, \$2931.25 at 5 per cent. ....	101.56
			318 87
		John Mason & Co's net proceeds.....	2587 38
		Due by equation, July 25.	
		E. E. ARTHABASKA, June 24, 1904.	
		COLLEGE STUDENT & SMITH, Per STUDENT	





## LETTER BOOK.

Messrs. Student & Smith,  
Arthabaska, Que.

Montreal, June 1, 1904.

Dear Sirs,—

Enclosed you will find Invoice of 300 bbls. Superfine Flour, shipped you to-day, per G. T. R.R.

My former dealings with Mr. J. W. Smith render it unnecessary for me to give any instructions regarding the sales. I rely upon your judgment, and hope that I will have no reason to regret having done so.

Very respectfully yours,

Joseph LeBlanc.

Joseph LeBlanc,  
750-754 St. Paul St.,  
Montreal,

Arthabaska, June 10, 1904.

Dear Sir,—

Please find enclosed an Account Sales of the 300 bbls. of Flour you shipped us on the 1st inst.

Your net proceeds, \$157.38, have been placed to your credit.

Hoping that the result will prove satisfactory, and that you will continue to favor us with your patronage, we are,

Yours very respectfully,

Student & Smith.

Messrs. Student & Smith,  
Arthabaska, Que.

Warwick, Que., June 6, 1904.

Dear Sirs,—

I ship you to-day, per G. T. R. R., 400 bbls.

Apples, to be sold on my %.

Please effect sales as soon as possible, and oblige,

Yours very respectfully,

W. Wellman.

W. Wellman,  
Warwick, Que.

Arthabaska, June 13, 1904.

Dear Sir,—

By enclosed Account Sales, your net proceeds of the sales of the 400 bbls. Apples you shipped us on the 6th inst are \$1024.56, for which amount we send you a check on the Molson's Bank of Arthabaska.

Please acknowledge receipt, and oblige,

Yours very truly,

Student & Smith.

Messrs. Student & Smith,  
10, 12 14, 16 College St.,  
Arthabaska, Que.

St. Hyacinthe, June 18, 1904.

Gentlemen,—

Your favor of the 15th inst. to hand, and contents noted. Your conditions being considered very fair, we ship you

*to-day 400 bbls. Flour, to be sold on our 4%. In effecting sales, do not give credit for a longer period than 60 days. In keeping us advised of the sales, you will confer a favor on*

*Yours very sincerely,*

*John Mason & Co.*

*Messrs. Mason & Co.,*

*Arthalaska, June 24, 1904*

*St. Hyacinthe, Que.*

*Dear Sirs,—*

*Enclosed please find an Account Sales of the 400 bbls. Flour you recently shipped us. We trust that you will be pleased with our promptness in selling the goods. Your net proceeds are \$2587.38, and have been placed to your credit. Soliciting further patronage, we beg to subscribe ourselves,*

*Very respectfully yours,*

*Student & Smith.*

### PRACTICE SETS FOR JULY.

The Practice Sets for July are a continuation of the business of June, the transactions forming a two months' set.

The books to be written upon are the Day Book, Journal, Ledger, Bill Book, Commission Sales Book, and Letter Book. Make an Account Sales for every consignment, and find by equation the day on which the proceeds are due.

### MEMORANDA FOR JULY—SET 1ST.

- (2) Received per G. T. R. R., and consigned to us by H. Vallière, Three Rivers, to be sold on his account and risk, 2,850 bushels oats. Paid freight per check \$75.  
 (") Sold A. Royal, 12 hhds. Molasses @ \$40; received in part payment Student's

note favor John Brown—: the balance charged on  $\%$ . (3) Bought of W. Hall, 25 sacks Rio Coffee, 5,000 lbs. @ 24c; 15 boxes Tea, 1,500 lbs. @ 30c. Gave in part payment our order on R. Edwards for \$750; accepted his draft @ 90 days, favor of Geo. Perkins \$425; the balance on  $\%$ . (4) Shipped per G. T. R. R., and consigned to A. Hamel, Stanfold, to be sold on our  $\%$  and risk, 12 sacks Coffee, 2400 lbs. @ 24c; 10 boxes Tea, 1000 lbs @ 30c; 10 hhds. Molasses @ \$34; 75 bbls Flour @ \$6. Paid cartage and freight in cash \$25. The Coffee, Tea and Molasses are from our store; the Flour was bought of H. Goodhue on our note @ 6 mos. (4) Paid cash to E. Barnes on  $\%$  \$125. (5) Deposited in College Bank \$2500. (6) Sold J. G. Blair for cash, 800 bushels Oats (Vall's Consignment) @ 48c; 25 bbls. Flour @ \$7.50. (6) Sold at auction 50 bbls. Pork @ \$10; received cash less auctioneer's commission @ 5 p. c. (6) Sold J. Leblanc on  $\%$ , @ 60 days, 1000 bushels Oats (V's Consignment) @ 50c. (6) Received cash of S. Gauthier in full of  $\%$ . (7) Prepaid our acceptance of June 27, favor of Fairbanks, less discount for unexpired time. Face of acceptance—; discount allowed to us for— days; gave check for the proceeds—. (6) We have taken to our account 1050 bushels Oats (Vallière's Consignment) @ 48c. (6) Closed H. Vallière's consignment, and rendered him an Account Sales. Our commission on sales @ 5 p. c. —; Guaranty on credit sales @ 5 p. c. —; Storage \$28.50. H. Vallière's net proceeds, — due by equation July —. (9) John Grant has this day paid the note held against him by Student, less discount allowed him for unexpired time. Face of note—; discount allowed him for —days—; received cash for the proceeds—. (6) Shipped per G. T. R.R. and consigned to J. E. Mercier, Ottawa, to be sold on our  $\%$  and risk, 175 bbls. Flour, bought of W. Perrault on our note @ 4 mos. @ \$5.75; 120 bbls. Sugar @ \$10, bought of A. Gagnon on  $\%$  @ 30 days; paid freight per check \$90. (10) Received an account sales from A. Hamel, Stanfold, of the goods shipped him on the 3rd. Received cash for our net proceeds \$2100. (6) Sold L. O. Ponce for cash 1050 bushels Oats @ 49c. — (11) Received from E. Barnes, Valleyfield to be sold on his  $\%$  and risk, 125 boxes Oranges; 225 bbls. Apples. (6) Accepted A. Gagnon's draft on us, at 49 days favor J. Ritchie & Co, \$600. (12) Drew a draft @ 30 days, favor of ourselves on R. Edwards for \$162.50. Discounted the draft at the College Bank, receiving credit for same, less 33 days discount.

Inventories: Miscellaneous, \$3000;

Ship't to Ottawa, \$2296.25.

Each partner's net gain must be \$626.81.

### SET 2ND.

July 13, Sold E. Edison on  $\%$  @ 60 days, 75 boxes Oranges @ \$4.75 (B's Consignment); 50 bbl. Apples @ \$5 (B's Consignment) (14) Received cash of John Green on  $\%$  \$525. (6) Paid W. Hall cash on  $\%$  \$150. (16) Prepaid our note of the 9th favor W. Perrault, less discount allowed us for unexpired time. Face of note—; discount allowed us for— days; gave check for the proceeds—. (16) Sold A. Royal on his note @ 10 days; 50 boxes Oranges (B's consignment) @ \$5; 25 bbls. Apples (B's consignment) @ \$4.75. (17) Received of John Green to apply on  $\%$ , a draft @ 60 days sight, in his favor, \$450, drawn by T. Byrnes on P. Gorman and transferred by Green to us by a full indorsement. The draft was accepted July 5. (18) Sold J. W. Pepper for

cash, 150 bbls. Apples (B's consignment) @ \$4.90. (" Closed E. Barnes' Consignment, and rendered him an Account Sales. Our commission @ 5 per cent, on total sales —; Guaranty @ 5 p. c. on credit sales —; Storage \$12; E. Barnes' net proceeds — due by equation Aug.—. (19) Received an Account Sales from J. E. Mercier, Ottawa, of the goods shipped him on the 9th. Our net proceeds are \$2540. (" Received from J. B. Aston, Roxton Falls, to be sold on his % and risk, 50 tubs Butter, 2500 lbs. Paid freight per check \$17.50. (20) Bought of Morin & Co., 25 bbls. Sugar @ \$10; 15 bbls. Pork @ \$12; 12 bbls. Beef @ \$14; 4 dozen Hams, 672 lbs. @ 12c. Accepted their draft @ 5 days, favor Jones & Co. \$400; gave check for the balance. (" Rec'd cash of A. Royal for invoice of June 20. (21) Sold the Commercial College for cash, 50 tubs Butter, 2500 lbs. (Aston's Consignment) @ 18c. (" Closed J. B. Aston's Consignment and rendered an Account Sales. Our commission @ 5 per cent. Aston's net proceeds remitted in cash—. (23) Paid W. Hall cash in full of %, — (" Sold John Green on %, 15 bbls. Pork @ \$15; 8 bbls. Sugar @ \$13. (24) Drew a sight draft on J. E. Mercier, and remitted it to Mason & Co. on % \$2540. (25) Paid our acceptance of the 11th, favor J. Ritchie & Co., less discount allowed us for unexpired time. Face of acceptance —; discount allowed us for — days —; gave our check for the proceeds. (26) Sold E. B. Johnson on %, 5 bbls. Sugar @ 12. (" Received cash of John Green on %, \$225. (27) Prepaid our note of July 3, favor H. Goodhue, less discount for unexpired time. Face of note —. Discount allowed us for — days; gave our check for the proceeds. (28) Paid our acceptance of the 20th, favor Jones & Co., per check—. (" Received cash of A. Royal for his note of the 16th inst. (30) Paid H. Vallière cash in full of % —. (" E. B. Johnson has failed in business, and is able to pay but 50c on the dollar. Received from him \$30; the balance is lost—. (31) Paid sandry expenses in cash \$125.

## LOSS &amp; GAIN.

July	30	To E. Johnson,	30	July	31	By Mdse,	110	36
"	31	" Cash	125	"	"	" Int & Disc't.	35	49
"	"	" J. W. Smith,	192	46	"	" Com. and Guar't	138	31
"	"	" College Stud.	192	45	"	" Storage,	12	
				"	"	" Ship't to Otta.	243	75
			539	91			539	91

DR.

## BALANCE ACCOUNT

CR.

July	31	To Cash,	6869	13	July	31	By Bills Payable,	425	
"	"	" J. Green,	250	40	"	"	" E. Barnes,	1682	19
"	"	" Mdse (Inv.),	3100		"	"	" J. Mason & Co.,	47	38
"	"	" Bills Recv.	1050		"	"	" A. Gagnon,	600	
"	"	" E. Edison,	905	25	"	"	" J. W. Smith,	6400	80
"	"	" College Bank,	2451	40	"	"	" College Stdt	6400	81
"	"	" A. Royal,	130						
"	"	" J. LeBlanc,	500						
			15556	18				15556	18

## (Set VI)-

## Commission Business.—Continued.

## MERCHANDISE COMPANIES.

A MERCHANDISE COMPANY is an association of two or more persons who join together for the sale of merchandise through a consignee who is also a partner in the transaction.

When the consignee belongs to two or more such companies, he designates each by some title that will distinguish it from the others.

The *first company* formed may be called MDSE. Co. A., the *second* MDSE Co. B.

The accounts of *Merchandise Companies* are kept in different ways; all, however, show the same final result.

Two methods will now be shown:—

FIRST METHOD.—By the *first Method* the consignee debits the *Mdse. Co.* for the *Invoice price and for the charges that he pays on the goods.* If there are two partners—the consignor and himself—he gives the consignor *credit for the full Invoice*; if there are three partners, he credits the consignor for *two-thirds of the invoice* and the third partner for *one third.* In closing the *Mdse. Co.* each partner is *credited for his share of the gain, or debited for his share of the loss.*

This method of opening and closing Merchandise Companies is now illustrated by the following transactions:—

ARTIABASKA, Que., AUGUST 1, 1904.

Received from JOHN BROWN, MONTREAL, to be sold on his and our joint %, each $\frac{1}{2}$ , 500 bbls. Flour, invoiced @ \$8.	\$4000	
Paid freight on same in cash	125	\$4125
2		
Sold JNO. SMITH for cash 100 bbls. Flour, MDSE. Co. A. @ \$9.		900
5		
Sold JOHN MASON on % 125 bbls. Flour, MDSE. Co. A. @ \$9.75		1218.75
7		
Sold GEO. DAVIS on % 150 bbls Flour, MDSE. Co. A. @ \$9.25		1387.50



ARTHABASKA, Que., AUGUST 10, 1901.

Sold WM. BAKER 125 bbls. Flour, MDSE. Co. A, @ \$10.		\$1250
10		
Closed MDSE. Co. A. and rendered Jno. Brown an ACCOUNT SALES		
Our charges for Storage,	\$ 10	
" " Commission @ 3 p. c. on sales	142 69	
" " Guaranty @ 3 p. c. on credit sales	115 69	
" " Jno Brown's $\frac{1}{2}$ net gain	181 43	
" " Our $\frac{1}{2}$ net gain	181 44	631 25

## JOURNAL DAY BOOK — FIRST METHOD.

ARTHABASKA, Que., AUGUST 1st, 1901.

MDSE. Co. A. <i>Dr.</i>		\$4125	
To John Brown, His and our $\frac{1}{2}$ Invoice			\$1000
" Cash, Paul freight			125
2			
Cash <i>Dr.</i>	Sold JOHN SMITH	900	
To MDSE. Co. A.	100 bbls. Flour @ \$9.		900
5			
JOHN MASON <i>Dr.</i>	Sold him on $\frac{c}{o}$ @ 30 days	1218 75	
To MDSE. Co. A.	125 bbls. Flour @ \$9.75		1218 75
7			
GEO. DAVIS <i>Dr.</i>	Sold him on $\frac{c}{o}$ at 30 days	1387 50	
To MDSE. Co. A.	150 bbls. Flour @ \$9.25		1387 50
10			
WM. BAKER <i>Dr.</i>	Sold him on $\frac{c}{o}$ @ 10 days	1250	
To MDSE. Co. A.	125 bbls. Flour @ \$10.		1250
19			
MDSE Co. A. <i>Dr</i>		631 25	
To Storage,	Our charge for keeping the goods		10
" Commission,	" " selling " "		142 69
" Guaranty,	For responsibility assumed on credit sales		115 69
" John Brown,	His $\frac{1}{2}$ net gain		181 43
" Loss and Gain,	Our $\frac{1}{2}$ net gain		181 44

If there were three partners in Mdse. Co. A., the opening and closing entries of the account would be :—

Mdse. Co. A. Dr.		\$4125	
To John Brown,	His $\frac{1}{3}$ and our $\frac{1}{3}$ Invoice		\$2666 34
" Geo. Jones (third partner),	His $\frac{1}{3}$ Invoice		1333 33
" Cash,	Paid freight		125
	10		
Mdse. Co. A. Dr.	Closed Co. A. and rendered Account Sales	631 25	
To Storage,			10
" Commission,			142 69
" Guaranty,			115 69
" John Brown,	His $\frac{1}{3}$ net gain		120 96
" Geo. Jones,	" " "		120 95
" Loss and Gain,	Our " "		120 96

To FIND THE GAIN :—From the total sales subtract the total charges. The charges include Invoice, Freight, Storage, Commission, Guaranty.

To FIND EACH PARTNER'S GAIN :—Divide the net gain by the number of partners in the company.

Let us now suppose that the Flour of Mdse. Co. A. was invoiced @ \$10 instead of \$8 per bbl., and that it was sold for the amount already recorded. In this case there would be a loss of \$637.13.

If there are three partners, the opening entry of the account will be :—

Mdse. Co. A. Dr.		5125	
To John Brown,	His $\frac{1}{3}$ and our $\frac{1}{3}$ Invoice		3333 34
" Geo. Jones,	His $\frac{1}{3}$ Invoice		1666 66
" Cash,	Paid freight		125
The Closing Entry will be :—			
Mdse. Co. A. Dr.		268 38	
To Storage			10
" Commission			142 69
" Guaranty			115 69
John Brown,	His $\frac{1}{3}$ loss	212 37	
Geo. Jones,	" " "	212 38	
Loss and Gain,	Our $\frac{1}{3}$ "	212 38	
To Mdse. Co. A.	To close account		637 13
Or			
John Brown,	His $\frac{1}{3}$ net loss	212 37	
Geo. Jones	" " "	212 38	
Loss and Gain,	Our $\frac{1}{3}$ "	212 38	
To Storage,			10
" Commission,			142 69
" Guaranty,			115 69
" Mdse. Co. A.,	To close account		368 75

To close a Merchandise Company when there has been a loss, debit the company for our additional charges, and credit it for the entire loss.

OR

Instead of debiting and crediting the company, we may credit it for the difference between the entire loss and our additional charges.

**SECOND METHOD.**—By the second method the consignee debits the Mdse. Co. for his share of the invoice and for the charges he pays on the goods. He credits the company for the sales. In closing the accounts of the Company, he debits it to the additional charges, to the consignee for his share of the net proceeds, and to the third partner (if any) for his share of the net proceeds, and to Loss and Gain, if there has been a gain, for his share of the gain.

To illustrate this method we will make use of the transactions of the preceding example.—

OPENING ENTRY.			
Mdse. Co. A. Dr.		\$2125	
To John Brown,	For our share of Invoice		\$2000
" Cash,	Paid freight		125
<i>Closing Entry when there has been a gain.</i>			
Mdse. Co. A. Dr.		2631 25	
To Storage,			10
" Commission,			142 69
" Guaranty,			115 69
" John Brown,	His $\frac{1}{2}$ net proceeds		2181 43
" Loss and Gain,	Our $\frac{1}{2}$ gain		181 44
<i>Closing Entry when there has been a loss.</i>			
Mdse. Co. A. Dr.		1949 82	
To Storage			10
" Commission			142 69
" Guaranty			115 69
" John Brown	$\frac{1}{2}$ Invoice less $\frac{1}{2}$ loss		1681 44
Loss and Gain Dr.		318 56	
To Mdse. Co. A.	To close account		318 56
OR			
Mdse. Co. A.	To close account	1631 26	
Loss & Gain,	Our $\frac{1}{2}$ net loss	318 56	
To Storage,			10
" Commission,			142 69
" Guaranty,			115 69
" John Brown,	His net proceeds		1681 44

Instead of debiting Mdse. Co. A for \$1949.82, and crediting it for \$318.56, we may debit it for the difference of these amounts, as shown above.

TO FIND THE PROCEEDS :—Add together the charges for freight, storage, commission, etc., and subtract the amount from the total sales.

TO FIND EACH PARTNER'S NET PROCEEDS :—Divide the proceeds by the number of partners.

TO FIND YOUR GAIN : Subtract your share of the Invoice from your net proceeds.

TO FIND YOUR LOSS :—Subtract your net proceeds from your share of the Invoice.

We have now seen how the consignee keeps the Accounts of Merchandise Companies ; it remains for us to examine the Accounts of the Consignor.

Here also we will find different methods.

FIRST METHOD.—By the first method the consignor debits the consignee for the entire cost of the goods shipped if there are two partners ; if there are three partners, the consignee is debited for two thirds of the entire cost, and the third partner for one third.

On receiving an Account Sales, if there has been a gain, he debits the consignee for his share of the gain ; if there has been a loss, the consignee is credited by "Loss & Gain."

This method will be understood by the following transactions.

ARTHURASKA, AUGUST 1, 1904.

JOHN BROWN <i>Dr.</i>	Shipped him to be sold on our joint %, each $\frac{1}{2}$ .	\$3750	\$3600
To Mdse.	600 bbls. Flour @ \$6.		150
" Cash	Paid freight		
	15		
JOHN BROWN <i>Dr.</i>	Rec'd. from him an Account Sales of the Mdse. shipped him on the 1st inst. Our $\frac{1}{2}$ net gain is \$275.	275	275
To Loss & Gain			
	If we suppose that we lost \$275 instead of gaining that amount, the Journal would read :		
Loss & GAIN <i>Dr.</i>		275	
To JOHN BROWN			275

**SECOND METHOD.**—By the *second method*, the consignor debits the consignee for his share of the entire cost, the third partner for his share, and Shipment Co. for his own share. When an Account Sales is received, he debits the consignee to Shipment Co. for his share of the net proceeds.

Of course, if cash is remitted with the Account Sales, cash must be debited and not the consignee.

According to this method, the Journal entry of the shipment of the 600 bbls. of Flour would be :

John Brown,	For his $\frac{1}{3}$ entire cost, $\frac{1}{2}$ Invoice		
	and $\frac{1}{2}$ freight	\$1875	
Shipment Co. 1, Dr.	For our $\frac{1}{3}$ entire cost, $\frac{1}{2}$ Invoice		
	and $\frac{1}{2}$ freight	1875	
To Mdse.			\$3600
“ Cash			150
If in the Account Sales your net proceeds are said to be \$2100, the Journal entry will be :—			
JOHN BROWN <i>Dr.</i>		2100	
	<i>To Shipment Co. 1</i>		2100
If we suppose a third partner, G Jones, the Journal entry will be :—			
John Brown,	For his $\frac{1}{3}$	1250	
Geo Jones,	“ “	1250	
Shipment Co. 1, <i>Dr.</i>	“ our $\frac{1}{3}$	1250	
To Mdse,			3600
“ Cash			150

## INSTRUCTIONS FOR THE SIXTH SET.

The JOURNAL DAY BOOK will be employed in this Set.

The *Journal Day Book* is a form of Journal, combining with it the essential facts generally given in the Day Book, thus making one book answer the purpose of both a Day Book and Journal.

## CASH BOOK

The CASH BOOK is also introduced in this Set. The explanations given about the Cash Account will apply also to the Cash Book.

CASH is debited when it is received, and credited when it is paid out, and the difference between the two sides must show the exact amount of cash on hand. It is unnecessary to say that the Cr. side of cash account must not be greater than the Cr. side; *you cannot pay out more than you receive.*

In the case of discounted notes enter their face as Cash received or paid and correct the surplus by an entry on the opposite side. See entries for Aug. 6, 12, 18.

Our CASH BOOK will be supplementary to the *Journal*. All transactions involving cash receipts or disbursements must be entered in the CASH BOOK; all other transactions are entered in the Journal.

In this Set, no *Bank Account* will be kept in the Ledger. When you deposit cash, mark the amount in your Check Book ; when you pay an account per check, enter the amount on the creditor side of your Cash Book, and in your Check Book deduct it from the amount you had on deposit before making the payment.

It is not necessary that the Journal entries of this Set be explained to you. If you have carefully studied the explanations given in the preceding sets, you will have no difficulty in journalizing the transactions for August and September.

THE MERCHANDISE COMPANIES and SHIPMENT COMPANIES of August are to be treated by the *First Method* ; those of September by the *Second Method*.

## Set VI.

## JOURNAL DAY BOOK

AETHABASKA, AUGUST 1, 1894.

College Student and J. W. Smith begin business this day with the following Resources and Liabilities :			
Mdse. Investment,		\$6000	
J. Black, Amount due Student on acct.,		2500	
To College Student,			\$500
----- 1 -----			
College Student	A note made by him favor Porter & Co., at 2 months, dated July 1,	1500	
To Bills Payable			1500
----- 1 -----			
Real Estate	Store No. 50 Court St.,	700	
Mdse.,	Investment,	5000	
Bills Receivable,	A note against H. Minor, dated July 3, at 4 mos, endorsed by J. H. Blair,	1500	
To J. W. Smith			13,500
----- 1 -----			
J. W. Smith		3500	
To Wm Grant,	Due him on account,		3500
----- 1 -----			
Wm Barker		315	
To Mdse			315
	Sold S. B. Benton Mdse. for \$931.00. Rec'd in payment his order on W. B. for \$315. Cash for the Balance. (See C. B.)		
----- 3 -----			
Wm. Robinson	Sold him 150 bbls. Beef (J. B. C.'s Const ) at \$15,	3062 50	
To J. B. Carter's Consignment,	125 bbls. Flour from store, at \$6.50,		2250
" Mdse.,			812 50
----- 5 -----			
Mdse. Co. A.,	Received from F. Powell, St. Thomas, to be sold on his and our joint acct., each 1/2, 3000 bushels Wheat at 76c,	2970	
		\$2250	
	1500 bus. Oats at 48c.,	720	
To F. Powell,	For his and our share of Invoice.		2970

ARTHBASKA, AUGUST 6, 1904-

Wm. Grant To J. Black,	Drew a draft at 10 days on J. Black, and remitted it to Wm. Grant on acct., 7	1800		1800
Wm. Robinson To Carter's Cons't	Sold him at 60 days 250 bbls. Beef at \$14.75 from Carter's Cons't., 7	3687	50	3687 50
J. B. Carter's Cons't. To Storage, " Commission " Guaranty, " J. B. Carter,	Closed Consignment and sent Account Sales, 5 % of Sales, \$8737.50, 5 % of credit sales, \$5937.50, His net proceeds due Sept. 2. 10	8587	50	15 436 88 296 88 7838 74
Chas. Atmore To Mdse., " Bills Payable,	Shipped per G.T.R.R. and consigned to him to be sold on our joint acct., each $\frac{1}{2}$ , 300 bbls. Flour from store, at \$6, 200 bbls. Sugar at \$11, bought of L. Pepin on our note at 90 days, 10	4000		1800 2200
Mdse. Co. B., To J. B. Johnson & Co.,	Received from J. B. Johnson & Co., Montreal, to be sold on our joint account, each $\frac{1}{2}$ , 200 bbls. Cornmeal at \$5, \$1000 300 bbls. Apples at \$3.75, \$1125	2125		2125

Continue to write in this form the transactions of August and September. Remember that all transactions showing cash receipts or disbursements must be entered in the Cash Book. When all the transactions are entered, you may post from the different books. However, if you wish to have the dates in their proper order, it will be necessary to post each transaction as it occurs. See at the end of August for number of lines in Ledger.

## MEMORANDA. PART I.

August 1.—College Student and J. W. Smith begin business this day with the following resources and liabilities:

College Student invests Cash \$8000; Merchandise, \$6000; J. Black owes him on %, \$2500. College Student owes a note in favor of Porter & Co., dated July 1, @ 2 mos., and endorsed by Geo. Jacobs, \$1500. (\*) J. W. Smith invests Cash \$5000; Store No. 50 Court St., \$7000; Mdse, \$5000; a note against H. Minor, dated July 3, @ 4 mos., endorsed by J. H. Blair, \$1500; J. W. Smith owes Wm. Grant on % \$3500, 2. Deposited in College Bank, \$5000. 3 Sold S. B. Benton, 20 bbls. Beef @ \$12.—; 5 bbls. Mess Pork @ \$15.—; 7 bbls. Madeira Wine, 308 gallons @ \$2.—; Received in part payment his order on Wm. Barker for \$315; cash for the balance—. 4. Received from J. B. Carter, Somerset, to be sold on his % and risk, 400 bbls. Beef; 200 bbls. Mess Pork. Paid freight per check, \$150. (\*) Sold Wm. Robinson on %, @ 60

days, 150 bbls. Beef (Carter's Consig't.), @ \$15 — ; 125 bbls. Flour, from store, @ \$6.50 —. 5. Received from F. Powell, St. Thomas, to be sold on his and our joint %, each  $\frac{1}{2}$ , 3000 bushels Wheat, invoiced at 75c. ; 1500 bushels Oats @ 48c. Paid freight on same in cash, \$75. (Mdse. Co. A.) (" Sold J. Hubert for cash, 200 bbls. Mess Pork (Carter's Consig't.) @ \$14, —. 6. Drew a draft @ 10 days on J. Black for \$1800, and remitted it to Wm. Grant on %. (" Prepaid Student's note, favor of Porter & Co., less discount for unexpired time. Face of note — ; discount allowed us for — days — ; gave check on College Bank for the proceeds —. 7. Sold Wm. Robinson on %, @ 60 days, 250 bbls. Beef (Carter's Consig't.), @ \$14.75 —. (" Closed J. B. Carter's consignment and rendered him an % sales. Our charges for Storage, \$15 ; commission @ 5 % on sales — , guaranty on credit sales —. J. B. Carter's net proceeds due by equation —. (*Make the account sales, and find by equation when the proceeds are due.*) 9. Sold J. Black, for cash, 1000 bush. Wheat (Mdse. Co. A.) @ 84c. — ; 750 bush. Oats (Co. A.) @ 58c. — ; 200 bbls. Flour, from store, @ \$6.75 —. 10. Shipped per G. T. R.R. and consigned to C. Atmore, St. Lin, to be sold on our joint % and risk, each  $\frac{1}{2}$ , 300 bbls. Flour from store @ \$6 ; 200 bbls. Sugar, bought of L. Pepin on our note @ 90 days @ \$11. Paid freight in cash \$150. (" Received from J. B. Johnson & Co, Montreal, to be sold on our joint % and risk, each  $\frac{1}{2}$ , 200 bbls. Cornmeal @ \$5 ; 300 bbls. Apples @ \$3.75. Paid freight on same in cash, \$125.25. 11. Sold G. W. Blair, 1000 bushels Wheat (Co. A.) @ 90c. — ; 750 bushels Oats (Co. A.) @ 60 $\frac{3}{4}$ c. Rec'd. in payment, Wm. Grant's order on us for \$755 ; cash to balance —. 12. H. Minor has this day prepaid the note held against him by J. W. Smith, less discount allowed him for unexpired time. Face of note —. Discount allowed him for — days ; received cash for the proceeds —. 14. Sold J. Goodrich & Co., for cash, 1000 bush. Wheat (Co. A.) @ 90c. —. (" Closed Mdse. Co. A, and rendered F. Powell an Account Sales. Our charge for storage, \$15 ; our commission on sales @ 5 % —. F. Powell's  $\frac{1}{2}$  net gain ; our  $\frac{1}{2}$  net gain —.

Inventories : Mdse, \$5000 ; Real Estate, \$7000 ; Mdse. Co. B. \$2250. —. Cash on hand, \$20026.69. Student's net loss, \$16.78 ; Smith's, \$16.77. [Close their accounts and others that close into Loss and Gain. Rule up accounts that balance.

#### MEMORANDA—PART II

Aug. 15.—Remitted F. Powell cash in full of % —. (" Received an account Sales, from C. Atmore, St. Lin, of the goods shipped him to be sold on our joint %. Our  $\frac{1}{2}$  net gain is \$225. 16. Sold John Mason 200 bbls. Cornmeal (Co. B.) @ \$6 ; 125 bbls. Apples (Co. B.) @ \$3.50 ; 75 bbls. Pork, from store, @ \$13. Received in payment Wm. Grant's order on us for \$945 ; cash, \$800 ; his note @ 5 days for the balance —. (" Accepted J. B. Carter's draft on us @ 15 days, favor R. Howe & Co., \$1500. 17. Sold John Green on % @ 10 days, 75 bbls. Apples (Co. B.) @ \$3.75. 18. Prepaid our note of the 10th, favor L. Pepin, less discount for unexpired time. Face of note — ; discount allowed us for — days —. Paid the proceeds in cash —. (" Received cash of C. Atmore in full of % —. 19. Sold Wm. Robinson on % @ 10 days, 100 bbls. Apples (Co. B.) @ \$3.75. (" Closed Mdse. Co. B. and rendered J. B. Johnson & Co. an Account Sales. Our charges for storage, \$15 ; commission on sales @ 5 % —. Guaranty on credit sales @ 5 % — ; J. B. Johnson & Co.'s  $\frac{1}{2}$  net loss — ; our  $\frac{1}{2}$  net loss —.



20. Sold Reynolds & Co., merchandise for \$524.50 ; received in payment a note @ 90 days, made in their favor by Ely & Co., \$375 ; cash for the balance —. 21. Sold John Green on %, 50 bbls. Mess Pork @ \$18 ——. 22. Received of Homer & Co., St. John, to be sold on joint % of themselves, W. LeBlanc, and ourselves, each  $\frac{1}{3}$ . (Co. C.) 500 bbls. Sugar @ \$9 —— ; 225 bbls. Flour @ \$4.75 ——. Paid freight on same in cash, \$200. 23. Shipped J. Fallstaff & Co., Sarnia, to be sold on joint % of themselves, C. Jones, and ourselves, each  $\frac{1}{3}$ , 2000 bush. Potatoes @ 40c. ; 300 bush. Beans @ \$1.50. 400 bales Hay @ \$2.25 ——. Paid freight in cash \$40. 24. Sold Wm. Grant on % @ 60 days, 500 bbls. Sugar (Co. C.) @ \$10.50 ——. (" Received cash of John Mason for his note of the 16th ——. 25. Sold W. Boswell, for cash, 225 bbls. Flour (Co. C.) @ \$6 ——. (" Closed Mdse. Co. C. and rendered Homer & Co. and W. LeBlanc an Account Sales. Our charge for storage, \$10 ; commission @ 5% on sales —— ; Homer & Co.'s  $\frac{1}{3}$  net gain —— W. LeBlanc's  $\frac{1}{3}$  net gain —— our  $\frac{1}{3}$  net gain ——. 27. Received cash of John Green on % \$281.25. (" Accepted J. B. Carter's draft on us @ 15 days sight, favor W. L. Dupuis, \$3560. 29. Received cash of W. Robinson on %, \$375. 31. Received an Account Sales from J. Fallstaff & Co., Sarnia, of the goods shipped them on the 23rd to be sold on % of themselves, C. Jones, and ourselves. Our  $\frac{1}{3}$  net loss \$178.65. (" Paid sundry expenses in cash, \$245.

Number of lines for Ledger : Student & Smith,  $\frac{1}{2}$  page ; Mdse 1 page ; Bills Pay, 12 ; Bills Rec. 6 ; Grant, 6 ; Robinson, 6 ; Storage, 12 ; Comm. & Gua. 12 ; Carter, 8 ; Loss & Gain, 1 page ; Int. & Disc., 12 ; Mdse Companies, 6 ; Other accts, 4 or 5.

DR.		LOSS AND GAIN.		CR.	
Aug. 19	To Mdse. Co. B.,	59 50	Aug. 15	By C. Atmore,	225
" 31	" J. Fallstaff & Co.	178 65	" 26	" Mdse. Co. C.,	163 75
" "	" Cash,	245	" 31	" Merchandise,	3049 50
" "	" J. W. Smith,	1744 17	" "	" Storage,	25
" "	" C. Student,	1744 17	" "	" Guaranty & C.,	477 50
			" "	" Interest & Dis.	30 74
		3971 49			3971 49

DR.		BALANCE ACCOUNT.		CR.	
Aug. 31	To Cash	22453 93	Aug. 31	By Bills Payable,	5060
	" J. Black	700		" J. B. Carter	2778 74
	" Mdse. (Inv.),	3500		" J. B. Johnson	2065 50
	" R. Estate ("	7000		" Homer & Co.	3876 25
	" Bills Receivable	375		" Leblanc	2020
	" W. Grant	5250		" Student	16727 39
	" W. Barker	315		" J. W. Smith,	16727 40
	" W. Robinson	6750			
	" J. Green,	900			
	" J. Fallstaff & Co	1281 35			
	" C. Jones	730			
		49255 28			49255 28

## MEMORANDA—PART III.

## SEPTEMBER.

1. Received from J. W. Pepper, Stanstead, to be sold on  $\frac{1}{2}$  of himself, Geo. Woods and ourselves, each  $\frac{1}{3}$ , 3600 bushels Wheat @ 80c. — ; paid freight per check, \$60 (Co. D.). 2. Drew a sight draft on Wm. Grant, and remitted it to J. B. Carter in full of  $\frac{1}{2}$  ——. 3. Sold John Mason for cash, 3600 bushels Wheat (Co. D.) @ \$1.10 ——. (“) Closed Mdse. Co. D., and rendered J. W. Pepper and Geo. Woods an Account Sales. Our charge for Storage, \$10 ; commission @ 5% ——. J. W. Pepper's net proceeds — ; Geo. Woods' net proceeds — ; our  $\frac{1}{3}$  net gain —. Shipped per G. T. R.R. and consigned to Joseph Hébert, Roxton, to be sold on  $\frac{1}{2}$  of himself, F. Powell and ourselves, each  $\frac{1}{3}$ , 50 hlds. Molasses, 3150 gallons @ 32c., bought of Jno. Snow for cash — ; 150 bbls. Pork @ \$13, bought of C. Atmore on our note @ 90 days ; 125 bbls. Sugar, from store, @ \$10.50 — ; paid freight per check, \$60. 7. Received cash of J. Black, in full of  $\frac{1}{2}$  ——. 9. Sold J. B. Johnson on  $\frac{1}{2}$ , 75 bbls. Sugar @ \$12 — (“) Accepted Homer & Co.'s draft on us @ 60 days sight, favor Jno. B. Reid & Co., \$3876.25. 10. Reynolds & Co. have this day prepaid their note of August 20, less discount allowed them. Face of note — ; discount allowed them for — days — ; received cash for the balance —. 11. Received of J. B. Carter, to be sold on  $\frac{1}{2}$  of himself, Wm. Grant and ourselves, each  $\frac{1}{3}$ , 400 bales Hay @ \$2.50 ; 500 sacks Corn @ \$1.40 ; 500 sac's Bran @ \$1.15 ; paid freight in cash, \$40 (Co. E.). 13. Prepaid our acceptance of the 9th inst., favor of J. B. Reid & Co., less discount for unexpired time. Face of acceptance — ; discount allowed us for — days — ; paid the proceeds in cash. 14. Sold John Green on  $\frac{1}{2}$ , 500 sacks Corn (Co. E.) @ \$1.45 ——. (“) Rec'd. cash of Wm. Barker in full ——. 15. Paid our acceptance of August 27, favor W. L. Dupuis ——. (“) Sold W. Ross for cash, 400 bales Hay (Co. E.) @ \$2.75. —.

Inventories : Mdse, \$1500 ; Real Estate, \$7000 ; Shipment to Roxton, \$1443.50.  
Each partner's net gain, \$362.16. Cash on hand, \$20332.83.

## MEMORANDA—PART IV.

16. Received an  $\frac{1}{2}$  sales from J. Hébert, Roxton, of the goods shipped him on the 5th inst. Our net proceeds are \$1650. 17. Received cash of Jno. Green on  $\frac{1}{2}$ , \$500. (“) Shipped per G. T. R.R., and consigned to Z. Lewis, Richmond, to be sold on  $\frac{1}{2}$  of himself, W. Mann and ourselves, each  $\frac{1}{3}$ , 140 bbls. Beef @ \$15, bought of A. Royal for cash — ; 300 bbls. Flour @ \$4.25, bought per check of Anderson & Co. — ; 200 bbls. Meal @ \$3.95 bought of W. Robinson on  $\frac{1}{2}$  — ; paid freight in cash, \$74. (“) Received cash of W. Mann for his  $\frac{1}{3}$  of invoice of goods shipped to Z. Lewis, Richmond —. 19. Sold Wm. Robinson on  $\frac{1}{2}$ , @ 5 days, 500 sacks Bran (Co. E.) @ \$1.45 —. (“) Closed Co. E. and rendered J. B. Carter and Wm. Grant an Account Sales. Our charge for storage, \$15 — ; commission on sales @ 5% — ; J. B. Carter's net proceeds — ; Wm. Grant's net proceeds — ; our  $\frac{1}{3}$  net gain —. 21. Received cash of J. Fallstaff & Co. in full of  $\frac{1}{2}$  ——. 23. Accepted W. LeBlanc's draft on us @ 90 days, favor A. Royal, for \$2020. 24. Sold at auction 125 bbls Flour @ \$5. Received cash, less auctioneer's commission of 5% —. (“) Received cash of the following persons in full of  $\frac{1}{2}$  : Wm. Grant, W. Robinson, Jno. Green, C. Jones, J. Hébert —. 27. Paid cash to the following persons in full of  $\frac{1}{2}$  : J. B. Carter

J. W. Pepper, Geo. Woods ——. 28. Paid our acceptance of August 16th, due Sept. 3, favor Howe & Co., with interest for overdue time 25 days ——. (") Received an Account Sales from Z. Lewis, Richmond, of the goods shipped him on the 17th inst. ; our net proceeds, \$1300. 29. Received cash of Z. Lewis in full of % ——. (") Sold at auction for cash the balance of mdse. on hand, \$825. 30. Sold our store to Webster & Mason for cash, \$7950. (") Paid clerk hire, rent, etc., in cash, \$275.

DR.		LOSS & GAIN, Sept. 30.		CR.	
Sept. 30	To Cash,	275	Sept 19	By Mdse Co. E.,	30 83
" "	" Ship't to Rich.	113	" 30	" Storage,	15
" "	" Mdse	81 25	" "	" Commission,	127 50
" "	" Int. & Disc.	6 16	" "	" Ship. to Roxton	206 50
	" Student	427 21	" "	" Real Estate,	950
	" Smith	427 21			
		<u>1329 83</u>			<u>1329 83</u>

BALANCE ACCOUNT.                      September 30.

Sept. 30	To Cash,	38,725 53	Sept. 30	By Bills Payable,	3970
" "	" F. Powell,	1443 50	" "	" J. B. Johnson,	1165 50
			" "	" J. W. Smith,	17516 76
			" "	" Coll. Student	17516 77
		<u>40,169 03</u>			<u>40169 63</u>

## CASH BOOK--SET VI.

DR

CASH

1904.			
Aug.	1	To College Student	Amount he invested..... \$8000
"	"	" J. W. Smith,	" " ..... 5000
"	3	" Mdse.,	Sale of Mdse. to S. B. Benton..... 616
"	5	" J. B. Carter's cons.,	Sold J. Hubert 200 bbls. Pork at \$14.... 2800
"	6	" Discount,	Disc't. on Student's note favor Porter & Co. 7 15
"	9	" Mdse Co. A.	Sold J. Black, 1000 bus. Wheat at 84., 840
			" " 750 " Oats at 58c., 435. 1275
"	"	" Mdse.,	" " 200 bbls. Flour at \$6.75... 1350
"	11	" Mdse. Co. A.,	Sale to G. W. Blair..... 600
"	12	" Bills Receivable,	H. Minor pays his note..... 1500
"	14	" Mdse. Co. A.,	Sale to J. Goodrich & Co..... 900
			<u>22048 15</u>
"	15	To Balance	Cash on hand..... 20026 69
"	16	" Sundries,	Sale to Jno. Mason..... 800
"	18	" C. Atmore,	Rec'd. cash of him in full of account..... 4375
"	"	" Discount,	Discount on our note favor L. Pepin..... 30 74
"	20	" Mdse.,	Sale to Reynolds & Co..... 149 50
"	24	" Bills Receivable,	Jno. Mason paid his note of the 16th..... 867 50
"	26	" Mdse. Co. C.,	Sale to W. Boswell..... 1350
"	27	" Jno. Green,	Rec'd. cash of him on account..... 281 25
"	29	" Wm. Robinson,	" " " " ..... 375
			<u>30277 14</u>
Sept.	1	To Balance	..... 22453 93

CASH BOOK— SET VI.

		CASH.	Cr.
1904.			
Aug.	4	By Carter's Cons't, Paid freight on Consignment.....	150
"	5	" Mdse. Co. A., Paid freight .....	75
"	6	" Bills Payable, Paid Student's note favor Porter & Co....	1500
"	10	" C. Atmore, " freight on goods shipped him.....	150
"	"	" Mdse. Co. B., " freight on goods.....	125 25
"	12	" Discount, By discount allowed H. Minor.....	21 21
"	14	" Balance Cash on hand.....	20026 69
			22048 15
"	15	" F. Powell, Paid him in full of account.....	3116 75
"	18	" Bills Payable, Paid our note favor L. Pepin..	2200
"	22	" Mdse. Co. C., Paid freight on goods.....	200
"	23	" Sundries, " " on shipm't to Fallstaff & Co...	40
"	31	" Loss and Gain, Paid sundry expenses—clerk hire, etc.....	245
"	"	" Balance Cash on hand.....	22453 93
			30277 14

A form of Bank-Book is here exhibited.

### BANK-BOOK.

The Bank-Book is a small memorandum book given by Banks to depositors. The deposits are entered into this book by the receiving teller at the time the deposit is made. When required, the checks drawn are also entered, thus showing the balance in the bank.

### COLLEGE BANK IN ACCT. WITH STUDENT & Co.

DATE.	DR.	CR.	BALANCE.
1904.			
Aug. 2		5000	
" 4	150		4850
" 6	1492 85		3357 15
Sept. 1	60		3297 15
" 5	60		3237 15
" 17	1275		1962 15

### CHECK BOOK

The Check Book is a book of blank checks, with a margin for entering the No., date, and amount of each check drawn, with the name of the payee, why given etc.

When the check is filled, it is torn off and given to the payee.

By adding all sums deposited, and deducting all sums withdrawn, or checks paid, the amount of money in the Bank to your credit can be readily had.

## CHECK BOOK.

COMMERCIAL		COLLEGE BANK	
No. 1.	5000	No. 1.	
Aug. 4, 1904.		Arthabaska, Aug. 4, 1904.	
G. T. R. R., for freight on Carter's Cons <sup>t</sup> ,		Commercial College Bank :	
	\$150	Pay to G. T. R. R. or order, One Hundred and Fifty <sup>00</sup> / <sub>100</sub> Dollars.	
		\$150. <sup>00</sup> / <sub>100</sub> .	Student & Smith.
No. 2.	4850	No. 2.	
Aug. 6, 1904.		Arthabaska, Aug. 6, 1904.	
W. PORTER & Co., for pro- ceeds of note held against Student,		Commercial College Bank :	
	1492 85	Pay to W. Porter & Co., or order, Fourteen Hundred and Ninety-two <sup>00</sup> / <sub>100</sub> Dollars.	
		\$1492. <sup>00</sup> / <sub>100</sub> .	Student & Smith.
No. 3.	3357 15	No. 3.	
Sept. 1, 1904.		Arthabaska, Sept. 1, 1904.	
N. Morrill, agent G.T.R.R. for freight on Co. D.		Commercial College Bank :	
	60	Pay to N. Morrill, agent, or order, Sixty <sup>00</sup> / <sub>100</sub> Dollars.	
		\$60. <sup>00</sup> / <sub>100</sub> .	Student & Smith.
No. 4.	3297 15	No. 4.	
Sept. 5, 1904.		Arthabaska, Sept. 5, 1904.	
N. Morrill, agent G.T.R.R., for freight on Shipment Co. to Roxton,		Commercial College Bank :	
	60	Pay to N. Morrill, agent, or order, Sixty <sup>00</sup> / <sub>100</sub> Dollars.	
		\$60. <sup>00</sup> / <sub>100</sub> .	Student & Smith.
No. 5.	3237 15	No. 5.	
Sept. 17, 1904.		Arthabaska, Sept. 17, 1904.	
Anderson & Co., for Mdse.,		Commercial College Bank :	
	1275	Pay Anderson & Co., or order, Twelve Hun- dred and Seventy-Five <sup>00</sup> / <sub>100</sub> Dollars.	
		\$1275. <sup>00</sup> / <sub>100</sub> .	Student & Smith.





SALES.

MDSE. CO. D.

1904.		1904.	1904.	
Sept.		Sept.	By Cash,	Sold Jno. Mason,
1	To J. W. Pepper,			3600 bus. Wheat, at \$1.10.....
	Received from J. W. Pepper, Stande, to be sold on acct. of himself, Geo. Woods and ourselves, each $\frac{1}{3}$ 3600 bus. Wheat at 80c. Our $\frac{1}{3}$ above invoice.....	960		
3	" Cash,	60		
"	" Storage,	10		
"	" Commission,	198		
"	" J. W. Pepper,	1230 67		
"	" Geo. Woods,	1230 66		
"	" Loss & Gain,	270 67		
		3960		3960

Account Sales of 500 bbls. Flour on joint acct. of Jno. Brown and ourselves, each  $\frac{1}{2}$ .

1904.				
Aug.	2	By Cash,	Sold Jno. Smith, 100 bbls, at \$9.....	900
"	5	" Jno. Mason,	Sold him on acct., 125 bbls., at \$9.75....	1218 75
"	7	" Geo. Davis,	Sold him on acct., 150 bbls, at \$9.25....	1387 50
"	"	" Wm. Baker,	Sold him on acct, 125 bbls., at \$10.....	1250
				4756 25
			Charges.	
	1	Paid freight in Cash.....	\$125	
	10	Storage .....	10	
	"	Commission .....	142.69	
	"	Guaranty .....	115.69	
	"	Our $\frac{1}{2}$ net gain .....	181.44	574 82
				4181 43
			Jno. Brown's net proceeds.....	\$4181 43
		Invoice of 500 bbls. Flour, at \$8.....	\$4000.	
		$\frac{1}{2}$ net gain.....	181 43	
				\$4181.43

ARTHABASKA, Aug. 10, 1904.

Account Sales of 3600 bus. Wheat on joint account of J. W. Pepper, Geo. Woods and ourselves, each  $\frac{1}{3}$ .

1904,				
Sept.	3	By Cash,	Sold Jno. Mason, 3600 bus. Wheat at \$1.10	3960
			Charges.	
"	1	Paid freight per check ..	60	
"	3	Storage .....	10	
"	"	Commission ..	198	
"	"	Geo. Woods' net proceeds.....	1230.66	
"	"	Our $\frac{1}{3}$ net gain.....	270.67	1769 33
				2190 67
			J. W. Pepper's net proceeds.....	2190 67
		Invoice of 3600 bus. Wheat, at 80c.....	\$2880	
		J. W. Pepper's $\frac{1}{3}$ and our $\frac{1}{3}$ invoice.....	\$1920	
		$\frac{1}{3}$ net gain.....	270.67	
				\$2190.67

ARTHABASKA, SEPT. 3, 1904.

A copy of this statement is also sent to G. Woods.

## SET VII.

JOURNAL, SALES BOOK, CASH BOOK, CHECK BOOK  
BILL BOOK, LEDGER.

## INSTRUCTIONS FOR SET VII.

In this Set the SALES BOOK, the JOURNAL DAY BOOK, the CASH BOOK, and the LEDGER are used as principal books.

The SALES BOOK contains a record of the sales of Merchandise, whether the sale has been for cash or on time.

The transactions of this Set are those forming the business of April. The Sales Book, the Journal Day-Book, the Cash Book, Bill Book are made out in full; the Check Book is partly made out. The different books thus made will serve you as models for writing up the practice sets for May, April, and May.

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ARTHBASKA, Que., OCTOBER 1, 1904.

College Student and J. W. Smith have this day entered into partnership, under the title of Student & Smith.

The partners are to invest equal amounts and to share alike the gains and losses.

College Student invests:—Cash \$3975 (C. B.); Cash on deposit in College Bank \$4925.75 (C. B. & Ck. B.); Merchandise \$4800 (J.); House and Lot No. 5 Church St. \$5400 (J.); Wm. Croker owes him on % \$790 (J.); David Murphy owes him \$675 (J.); a note against Jno. Brown, due July 14, \$585 (J. & B. B.). (" Student owes as follows:—A note favor J. Grant, due Aug. 15, \$824; a note favor A. Gorman, due Dec. 17; a note in favor of A. J. Black, due Jan. 9, \$733 (J. & B. B.); Henry Byrne on % \$284 (J.); R. Williams on % \$684 (J.). (" J. W. Smith invests:—Cash \$4000 (C. B.); a note against G. Baker, due Sept. 9, \$650 (B. B. & J.); Merchandise, \$4000 (J.); J. W. Pepper owes him \$825 (J.); J. Granby owes him \$1300 (J.); House and Lot, No. 74 Court St, \$9000 (J.). (" J. W. Smith owes Wm Hardy on % \$653.25 (J.); a note favor E. Bell, due Nov. 18, \$891 (J. & B. B.). 2. Sold O. Goldsmith on % 28 bbls. Flour @ \$6.50, 30 bbls. Sugar @ \$12 (S. B.). (" Sold R. Green, 5 hhds. Molasses, 500 gallons @ 48c.; 15 chests Tea, 1500 lbs. @ 40c. (S. B.). Received in payment cash \$300 (C. B.); his note @ 90 days \$540 (J. & B. B.). 3. Received cash of John Brown for his note favor of College Student, less discount allowed him. Face of note \$585. Discount allowed him \$9.81. Received cash \$575.19. (C. B. & B. B. Debit Cash for the face of the note, and credit it by Discount ) 4. Accepted Henry Byrne's draft on us @ 60 days, favor J. Jackson \$284 (J. & B. B.). (" Drew a sight draft on Wm. Croker for \$684 and remitted it to Roger Williams (J.). 5. Paid E. Bell for the note held by him against J. W. Smith, less discount for unexpired time. Face of note \$891; discount allowed us \$6.43; gave our check for

the balance \$884.70. (C. B., B. B., Ck. B. Credit cash for face of note, and debit it for the discount.) 6. Sold D. Murphy, 35 bbls. Flour @ \$6.50; 32 bbls. Pork @ \$18 (S. B.); received in payment cash \$250; an order of W. Hardy on us for \$400; his note @ 90 days for \$153.50 (C. B., J. & B. B.). (In posting from the Sales Book, debit D. Murphy to *Adse.* \$403.50; W. Hardy for \$400. In the C. B. credit Murphy \$250; in the J., credit him for the Note.) 8. Deposited cash in College Bank \$4000 (Ck. B.). (" Drew a draft @ 90 days on J. W. Pepper for \$825, in our favor, and had it discounted at the College Bank; discount for 93 days \$12.61. Proceeds placed to our credit \$812.39 (J., C. B. & Ck. B.) 9. Sold O. Goldsmith, House and Lot, No. 5 Church St, for \$5700; received in payment cash \$2200 (C. B.); a draft @ 30 days for \$700, drawn in his favor by J. Andrews on S. Green, and transferred to us by a full endorsement (J. & B. B.); the balance on % \$2800 (J.) 10. Received cash of R. Green for his note of the 2nd, less discount for unexpired time. Face of note \$540; discount \$7.64; received cash \$532.36 (C. B. & B. B.) 10. Sold A. Hill 25 bbls. Sugar @ \$12; 14 sacks Rio Coffee, 2100 lbs @ 25c. Received in payment an order on us by W. Hardy for \$253.25; his note @ 15 days with interest \$296.75; Cash \$275. (See April 6th.) 11. Received cash of J. Granby on % \$295 (C. B.) (" Sold J. W. Pepper, Merchandise on % \$325 (S. B.) 12. Received cash of G. Baker for his note in favor J. W. Smith, less discount for unexpired time. Face of note \$650; Discount allowed him \$16.03; received the proceeds in Cash \$633.97 (C. B. & B. B.) (" Bought of Richard Tabor, 35 hhds. Molasses, 3500 gallons @ 40c.—Gave in payment cash \$350; Check on College Bank \$400; our draft on J. Granby @ 10 days \$650 (J., C. B. & Ck. B.) 14. Received of J. W. Pepper his draft @ 10 days on Madison Wells, which Wells accepted \$325 (J.) 15. Prepaid our acceptance of the 4th inst. favor J. Jackson. Face of draft \$284; Discount allowed us \$2.43. Gave check for the balance (C. B., B. B. & Ck. B.) 16. Bought of Davis & Co., 300 bbls. of Flour @ \$6; 250 bbls. Sugar @ \$8; gave in payment cash \$1500; accepted their draft @ 90 days favor of Johnson & Bro., \$1800; balance charged on % (J., C. B. & B. B.) Sold J. W. Pepper on % Merchandise \$1002.50 (S. B.) 8. Accepted Davis & Co.'s draft on us @ 5 days, favor J. B. Gordon (J. & B. B.) 19. Prepaid the note held against Student By A. J. Black. Face of note \$733; discount allowed us \$9.76; gave a check for the balance (C. B., B. B. & Ck. B.) 20. Sold M. J. Tyler, 75 bbls. Sugar @ \$10; received in payment a draft @ 90 days in his favor, drawn by King & Co, on Parker & Co, accepted Sept. 15, \$750 (S. B. & B. B.) 21. Received cash of J. Granby on % \$300 (C. B.) 23. Sold J. W. Pepper on %, 75 bbls Flour @ \$7 (S. B.) (" Donated cash to a charitable Institution \$50. (C. B.) Sold D. Murphy, Merchandise for \$735; received in payment his note @ 90 days, \$250; the balance charged on % (S. B. & J.) 26. Paid our acceptance favor J. B. Gordon, \$500 (C. B. & B. B.) 27. Received cash of Parker & Bro., for their acceptance, favor M. J. Tyler, and transferred to us April 20. Face of acceptance \$750; discount allowed them \$6.16. Received cash \$743.84 (C. B. & B. B.) 28. Received cash of D. Murphy, on %, \$300 (C. B.) (" Received cash of Madison Wells for his acceptance of the 14th, \$325 (C. B. & B. B.) (" Received cash of A. Hill for his note of the 10th inst, with interest for 18 days. Face of note \$296.75. Interest 88c. Received cash \$297.63 (C. B. & B. B.) 30. Paid cash for sundry expenses \$128 (C. B.)

## JOURNAL—(Set VII.)

ARTHABASKA, OCT. 1, 1904.

Merchandise,	Investment	\$4800	
Real Estate,	" House and Lot,		
	Church St.	5400	
Wm. Croker,	" Owes Student on %	790	
D. Murphy,	" " "	675	
Bills Receivable	Note No. 1 against Jno. Brown.	585	12250
To Coll. Student,			
1			
STUDENT		2920	
To Bills Payable	No. 1. Favor Joseph Grant		824
" " "	" 2. " A. Gorman		395
" " "	" 3. " A. J. Black		733
" Henry Byrne,	Amount due him on %		284
" R. Williams,	" " "		684
1			
Bills Receivable	No. 2 against G. Baker	650	
Mdse.,	Investment	4000	
J. W. Pepper,	Owes Smith on %	825	
Josiah Granby,	" " "	1300	
Real Estate,	House and Lot, 74 Court St.	9000	15775
To J. W. Smith			
1			
J. W. SMITH		1544	25
To Wm. Hardy,	J. W. Smith owes him on %		653
" Bills Payable,	No. 4, Favor E. Bell		891
2			
BILLS RECEIVABLE	Rec'd his note for Mdse. as	540	
To Richard Green,	per Sales Book. See note in S. B.		540
4			
HENRY BYRNES,	Accepted his draft per B. B.,	284	
To Bills Payable,	favor Joseph Jackson		284
4			
R. WILLIAMS	Drew a draft on W. Croker and	684	
To Wm. Croker,	remitted it to Roger Williams		684
9			
Bills Receivable,		700	
A. Goldsmith,	Sold him our House and Lot	2800	
To Real Estate	No. 8 Church St.		3500

DAY BOOK—(SET VII.)  
ARTHABASKA, OCT. 12, 1904.

MERCHANDISE To J. Granby,	Bought Mdse. of R. Tabor, and as part payment gave him our order on J. Granby 14	\$650	\$650
BILLS RECEIVABLE To J. W. Pepper,	Rec'd. from him on % a draft on M. Wells, which Wells accepted 16	325	325
MERCHANDISE To Bills Payable " Davis & Co.,	Bo't. Mdse. of Davis & Co., and accepted their draft as p. B. B. Bought on % 18	2300	1800 500
DAVIS & Co. To Bills Payable.	Accepted their draft, favor of J. B. Gordon, per B. B. 25	500	500
BILLS RECEIVABLE To D. Murphy,	Rec'd his note for Mdse. as per S. B.	250	250

## SALES BOOK.

ARTHABASKA, QUE., OCT. 2, 1904.

Sold O. Goldsmith on % :— 28 bbls. Flour @ \$6.50 30 " Sugar @ \$12 2	\$182 360	\$542
Sold RICHARD GREEN :— 5 hds. Molasses @ \$48 15 chests Tea, 1500 lbs. @ 40c. Received in payment his note @ 90 days Cash On posting, debit Green for the full amount of the Mdse., \$840; in the Journal, credit him for the note; in the cash book, credit him for the cash. 6	240 600	540 300
Sold DAVID MURPHY :— 35 bbls. Flour @ \$6.50 32 " Pork @ \$18 Rec'd in payment :— Cash An order of Wm. Hardy on us for His note at 90 days. In posting from this book, debit Hardy and Bills Receivable to Mdse., \$553.50; in the Cash Book, debit cash to Mdse., \$250.	277 50 576	250 400 153 50

ARTHABASKA, OCT. 10, 1904.

	Brought forward		2185 50
Sold A. HILL :—			
25 bbls. Sugar @ \$12	\$300		
14 sacks Rio Coffee, 2100 lbs. @ 25c.	525		
Rec'd in payment :—			
An order on us by W. Hardy for		\$253 25	
His note @ 15 days		296 75	
Cash		275	
See the 6th.			
----- 11 -----			
Sold J. W. PEPPER on % :—			
65 bbls. Flour @ \$5			325
----- 17 -----			
Sold J. W. PEPPER on % :—			
75 bbls. Flour @ \$6.50	487 50		
20 " Pork @ \$18	360		
5 hhds. Molasses @ \$31	155		
----- 20 -----			1002 50
Sold J. M. TYLER :—			
75 bbls. Flour @ \$10	750		
Rec'd. in payment Parker & Co.'s acceptance			750
----- 23 -----			
Sold J. W. PEPPER on % :—			
75 bbls. Flour @ \$7			525
----- 25 -----			
Sold D. MURPHY :—			
30 bbls. Sugar @ \$12	360		
25 " Beef @ \$15	375		
Rec'd in payment his note at 90 days			250
The balance charged on %			485
Debit him for the full amount : in the Journal credit him by Bills Receivable. In the Ledger, the difference between the amount of the sale and the note will show the balance due.			
<i>Total sales for October</i>			\$6318



BANK BOOK OF  
STUDENT AND SMITH.

DATE.	DR.	CR.	BALANCE.
1904.			
Oct. 1		4925 75	
" 5	884 70		4041 05
" 8		4000	8041 05
" "		812 39	8853 44
" 12	400		8453 44
" 15	281 57		8171 87
" 19	723 24		7448 63

## CHECK BOOK.

COMMERCIAL

COLLEGE BANK.

No. 1.	4925 75	No. 1.	
Oct. 5.			<i>Arthabaska, Oct. 5, 1904.</i>
E. Bell.			<i>Commercial College Bank,</i>
			<i>Pay to E. Bell, or order, Eight Hundred and</i>
			<i>Eighty-four <math>\frac{7}{100}</math> Dollars.</i>
	884 70		$\$884.\frac{7}{100}$
			<i>Student &amp; Smith.</i>
No. 2.	4041 05	No. 2.	
Oct. 12.	4000		<i>Arthabaska, Oct. 12, 1904.</i>
R. Tabor,	812 39		<i>Commercial College Bank,</i>
for Mdse.,			<i>Pay to Richard Tabor, or order, Four Hundred</i>
	8853 44		<i>and <math>\frac{1}{100}</math> Dollars.</i>
			$\$400.\frac{1}{100}$
	400		<i>Student &amp; Smith.</i>
No. 3.	8453 14	No. 3.	
Oct. 15.			<i>Arthabaska, Oct. 15, 1904.</i>
J. Jackson,			<i>Commercial College Bank,</i>
our accept-			<i>Pay to J. Jackson, or order, Two Hundred and</i>
ance,			<i>Eighty-one <math>\frac{1}{100}</math> Dollars.</i>
	281 57		$\$281.\frac{1}{100}$
			<i>Student &amp; Smith.</i>
No. 4.	8171 87	No. 4.	
Oct. 19.			<i>Arthabaska, Oct. 19, 1904.</i>
Student's			<i>Commercial College Bank,</i>
note favor			<i>Pay to A. J. Black, or order, Seven Hundred and</i>
A. J. Black,			<i>Twenty-three <math>\frac{1}{100}</math> Dollars.</i>
	793 24		$\$723.\frac{1}{100}$
			<i>Student &amp; Smith.</i>

## BILL

## BILLS

No.	DRAWEE OR MAKER.	IN WHOSE FAVOR.	FOR WHAT RECEIVED.	WHERE PAYABLE.
1	Jno. Brown,	College Student,	Mdse.,	Our Office.
2	Geo. Baker,	J. W. Smith,	Real Estate,	" "
3	Richard Green,	Student & Co.,	Mdse.,	" "
4	David Murphy,	" "	" "	" "
5	Silas Green,	O. Goldsmith,	Real Estate,	J. C. Bank.
6	Andrew Hill.	Student & Co.,	Mdse.,	Our office.
7	Madison Wells,	" "	On account,	His office.
8	Parker & Co.,	M. J. Tyler,	Mdse.,	Their office.
9	David Murphy,	Student & Co.,	" "	Our office.

## BILLS

No.	DRAWEE OR MAKER.	IN WHOSE FAVOR.	FOR WHAT GIVEN.	WHERE PAYABLE.
1	College Student,	Joseph Grant,	Mdse.,	His office.
2	" "	A. Gorman,	Real Estate,	" "
3	" "	A. J. Black,	On account,	" "
4	J. W. Smith,	E. Bell,	Mdse.,	" "
5	H. Byrne,	J. Jackson,	On account,	Our "
6	Davis & Co.,	Johnson & Bro.,	Mdse.,	" "
7	" "	J. B. Gordon,	On account,	" "

BOOK.

RECEIVABLE

AMOUNT.	DATE.	TIME.	WHEN DUE.												REMARKS.		
			Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.			
\$585	Sept. 11	4 mo.	14														Discounted Oct. 3.
650	" 6	6 "			9												" " 12.
540	Oct. 2	90 days	3														" " 10. Endorsed in
153	" 6	" "															our favor.
700	" 2	30 "															4 Paid with interest Oct. 28.
293	75 " 10	15 "															" " "
325	" 14	10 "															
750	Sept. 15	90 "															17 Discounted Oct. 27.
250	Oct. 25	90 "	26														

PAYABLE

AMOUNT.	DATE.	TIME.	WHEN DUE.												REMARKS.		
			Jan.	Feb.	Mar.	Apr.	May.	June.	July.	Aug.	Sept.	Oct.	Nov.	Dec.			
\$824	Sept. 12	5 mo.															
395	July 14	4 "	1905	15													
733	Sept. 6	4 "	9														Discounted Oct. 19.
891	" 15	2 "															" " 5.
284	Oct. 4	60 days															18 6 Accepted Oct. 4; discounted
1800	" 16	90 "	18														Oct. 15.
500	" 18	5 "															26 Paid Oct. 26.

## CASH

Dr.

CASH

1904.				
Oct.	1	To College Student,	Investment	\$3975
"	"	" " "	On deposit in College Bank	4925 75
"	"	" J. W. Smith,	Investment	4000
"	2	" Merchandise,	Sold R. Green as per S. B.	300
"	3	" Bills Receivable,	Rec'd. for John Brown's note	585
"	5	" Interest,	Discount allowed us on J. W. Smith's note	6 30
"	6	" Merchandise,	Sold D. Murphy as per S. B.	250
"	8	" J. W. Pepper,	Draft drawn on him @ 90 days, and sold	825
"	9	" Real Estate,	Sold O. Goldsmith, House and Lot, 5 Church St.	2200
"	10	" Bills Receivable,	Rec'd. cash for R. Green's note	540
"	"	" Merchandise,	Sold A. Hill as per S. B.	275
"	11	" J. Granby,	Rec'd. cash of him on %	295
"	12	" Bills Receivable,	Geo. Baker pays his note	650
"	15	" Interest,	Discount allowed us on our acceptance of the 4th	2 43
"	19	" "	Discount allowed us on our acceptance of Student's note	9 76
"	21	" J. Granby,	Rec'd. cash on %	300
"	27	" Bills Receivable,	Parker & Co.'s acceptance	750
"	28	" D. Murphy,	Rec'd. cash on %	300
"	"	" Bills Receivable,	M. Wall's acceptance	325
"	"	" " "	A. Hill's note of the 10th	296 75
"	"	" Interest,	Interest on A. Hill's note	88
				\$20811 87

BOOK.

CASH.

Cr.

1904.			
Oct.	3	By Interest,	Discount on Jno. Brown's note
"	5	" Bills Payable,	J. W. Smith's note favor E. Bell
"	8	" Interest	Discount on draft drawn on J. W. Pepper
"	10	" "	" allowed R. Green on his note
"	12	" "	" " G. Baker " " "
"	"	" Merchandise,	Bought of R. Tabor
"	15	" Bills Payable,	Our acceptance favor J. Jackson
"	16	" Merchandise,	Bought of Davis & Co.
"	19	" Bills Payable,	Student's note favor A. J. Black
"	23	" Loss and Gain,	Donated cash to a Charitable Institution
"	26	" Bills Payable,	Our acceptance favor J. B. Gordon
"	27	" Interest,	Discount allowed Parker & Co. on their acceptance
"	30	" Loss and Gain,	Paid Sundry expenses
"	31	Balance,	Cash on hand
			\$ 9 81
			891
			12 61
			7 55
			16 03
			750
			284
			1500
			733
			50
			500
			6 16
			128
			15923 71
			\$20811 87

## SET VIII.

### SPECIAL COLUMN JOURNAL

The SPECIAL COLUMN JOURNAL is a Journal provided with special columns for those items that occur most frequently.

The Journal given in the set consists of six columns. As thus arranged it takes the place of a CASH BOOK, a SALES BOOK, a DAY BOOK and an INVOICE BOOK.

In posting Cash and Merchandise carry the total amounts to the Ledger; the items placed in the columns marked "Sundries" must be posted as from an ordinary journal.

As soon as you have written a page, prove your work; the amounts of the items in the Dr. columns must be the same as the amounts in the Cr. columns.

ARTHBASKA, DEC 1, 1904.

SUNDRIES	CASH	M.D.C.		M.D.C.	CASH	SUNDRIES
			College Student commences business this day with the following Resources and Liabilities.			
			RESOURCES.			
	5300		Cash. Amount invested			
		7585 75	M.D.C. " "			
575			Bills Receiv. A note against J. Powers for \$575, due Jan. 15, '05.			
660			" " A note against W. Ward for \$660, due Feb 23 '05.			
2100			Coll. Bank. Cash on deposit. To Coll. Student.			13400 75
1904 75			----- 1 -----			
			College Student			
			To W. Goldsmith, I owe him on acct.			749 75
			" B. Payable A note favor R. Cromwell for \$430 due March 6, '05.			430
			" " " A note favor J. Smith, for \$725, due Dec. 29, 1904.			725
		75	----- 1 -----			
300			Bills Receivable			
	104		Cash Sold R. Webster,			
			To M.D.C. 27 bbls. Flour at \$6.75, \$182.25	404 75		
			15 bbls. Sugar at \$9.50, \$142.50			
			2 sacks Coffee at \$40, \$80.			
			Rec'd his note at 3 mos. \$300;			
			Cash, \$104.75.			
5779 75	5404 75	7585 75		404 75		18,365 50

ARTHBASKA, DEC. 3, 1904-

SUNDRIES	CASH.	MDSE.		MDSE.	CASH.	SUNDRIES
5779 75	5404 75	7585 75	Brought forward,	404 75		18,365 50
4 00	570 94		Discount, John Powers pre-			
			Cash, pays his note,			
			Less discount al-			
			lowed him for 43 d.			
			To Bills Rec'ble			575
	59		3			
			Cash			
			To Mdse	59		
			Sold Cooney, 3 bbls.			
			Flour, at \$7, \$21			
			4 bbls. Biscuits, at			
			\$9.50, \$38.			
	150		4			
293 20			Cash, Sold Jno. Mason:			
100			Bills Rec'ble, 15 bbls Flour at			
			\$7, \$105.			
			Jno. Mason, 8 bbls. Apples at \$3.			
			\$24.			
			To Mdse	543		
			7 boxes Prunes at			
			\$2.60, \$18.20			
			24 Hams at \$2.25.			
			\$54			
			19 bbls. Beef at \$18.			
			\$342.			
			4			
2500			College Bank			
			To Cash		2500	
			Deposited.			
		850	4			
			Mdse.,			
			To Bills P'ble			300
			" Cash,		250	300
			25 bbls. Molasses			
			at \$5.			
			" Coll. Bank,			
			Gave in payment,			
			my note at 60 da.:			
			cash and check			
			5			
430			Bills Payable			
			To Discount,			6 57
			Prepaid my note			
			in favor of R. Crom-			
			well, less discount			
			for 93 days.			
			" Coll. Bank			
			Paid the proceeds			423 43
			per check.			
			5			
325			Wm. Goldsmith			
			To Cash		325	
			Paid him on acct.,			
			6			
378			Bills Receivable			
			To Mdse	378		
			Sold R. Webster on			
			his note at 15 days:			
			7 hbls. Molasses at			
			\$42			
			8 bbls. Sugar at \$10.50			
			6			
	592 31		Cash			
			Wm. Ward prepays			
			Discount,			
			his note, less dis-			
			count allowed him			
			for 78 days			
7 69			To Bills Rec'ble			600
9717 70	6777	8435 75		1384 95	3075	20,570 50



## CONTINUE THE JOURNAL IN LIKE MANNER.

Dec. 8. Sold Wm. Brown 13 boxes Biscuits at \$2.40, 3 chests Tea at \$18; 16 bbls Beef at \$15; 4 bxs. Biscuits at \$10; 25 bbls. Flour at \$7.50. Rec'd in payment cash \$175; his note at 3 mos. \$300; the balance on acct at 10 days. Prepaid my note due Dec. 29, favor J. Smith, less disc't. 9. Rec'd. cash of R. Webster in full. Loaned Wm. Jones, \$1000 for 10 days at 7 per cent. interest. Donated to a charitable Institution, \$100. 11. R. Webster prepays his note less discount allowed him. 12. Sold Wm. Bedford: 30 bbls. Flour at \$7, 5 hlds. Molasses at \$45, 3 chests Tea at \$23.25. 14. Bought of W. Rogers: 10 cases and Lot No. 5, Court St. Gave in payment Cash \$750, Check \$1200; my note at 4 mos. for \$1850. Rec'd. cash of John Mason, in full of acct. 16. Paid repairs on note \$3. 18. Rec'd. cash of W. Brown in full of acct. 19. Rec'd. cash for the loan made Wm. Jones, with int. on same. Prepaid my note favor of W. Rogers, less discount \$8. 20. John Mason, 30 Hams at \$2.25, 9 bbls. Flour at \$6.75, 5 bbls. Pork at \$19, 7 bbls. Apples at \$3.50, 12 buckets Blackberry Jam at \$3.70. 21. Sold R. Croker on his note 30 days, 12 bbls. Beef at \$16, 2 sacks Coffee at \$40. Sold J. Williams: Home and Lot, 5 Court St. Rec'd. in payment cash, \$2500; his note at 3 days for \$1800. 24. Rec'd. R. Webster pays his note of the 5th with interest on same. 27. R. Croker pays his note of the 21st. 28. Sold J. Rogers for cash: 24 buckets Jam, at \$3.60, 3 bxs. Dates at \$2.75, 4 bbls. Biscuits at \$19. 29. John Williams pays his note of the 23rd. 31. Paid clerk hire and gas bill \$74.

Make Ledger and close accounts. Cash Dr. 12877.83; Cr., 7559.01. Mdse: Dr., 8435.75; Cr. 3195.95, *Inv. (5700)*. Net gain, 79624.

## PART II.

### Single Entry Book-keeping.

In our Study of **DOUBLE ENTRY BOOK-KEEPING** we have seen that every transaction is entered into at least two accounts ; in one account there is a debit entry ; in another, there is a credit entry. Accounts were opened with every species of property, as with person. In *Book-keeping by Double Entry* accounts are kept with property as with person.

In *Single Entry Book-keeping*, however, accounts are kept in the Ledger with persons only. Every transaction is recorded to the debit or credit side of a single account.

The records for keeping personal accounts in Single Entry, and for posting are the same as in Double Entry.

The books used in Single Entry are the **DAY BOOK** or **JOURNAL**, the **CASH BOOK**, the **LEDGER**, and the **BILL BOOK**.

The **DAY BOOK** or **JOURNAL** contains a record of every transaction that requires a person be debited or credited. All purchases on account, and all payments on account are entered into this book. It is from this book that the posting is done.

The **CASH BOOK** contains all receipts and payments of cash. The difference between the debtor column and the creditor column must be the exact amount of cash on hand. Of course the amount of the creditor column can never be larger than the amount of the debtor column, for we cannot pay out more than we have.

The **LEDGER** contains under a single title all transactions belonging to the same account.

In the **BILL BOOK** are recorded the particulars of the notes that we receive and the notes that we issue.

A **SALES BOOK**, for recording all sales of merchandise ; an **INVOICE BOOK**, for recording all the purchases of merchandise ; a **CHECK BOOK**, for our transactions with the Bank, may also be kept.

## Single Entry—Set I.

## DAY BOOK OR JOURNAL, CASH BOOK AND LEDGER.

The transactions for this Set will be those of our first set of Double Entry. The three books will be made out in full ; as a further aid, after each transaction will be written the initials of the books into which the transaction must enter.

ARTIABASKA, QUE., CANADA, JANUARY 1, 1905.

College Student begins business this day with the following resources : - Cash, \$1000 (J & C. B.). Mlsc., \$2500 (J) *In the J. & L., credit Student* \$6.00. 2. Sold James Brown for cash, 25 bbls. Flour @ \$6 ; 4 bbls. Sugar, 800 lbs @ 4½c. (C. B.). 3. Sold W. H. Smith on %, 15 bbls. Flour @ \$3.50 ; 4 chests Tea, 140 lbs @ 35c. (J. & L.) 4. Bought of Jas. Ford & Co. for cash, 25 bbls. Beef @ \$17 ; 50 sacks Salt @ \$1.10 (C. B.). 5. Bought of T. Walsh on %, 25 bbls. Beef, 6000 lb. @ 10c. ; 15 sacks Coffee 3000 lbs. @ 2c. (J. & L.). 7. Received cash of W. H. Smith in full of % (J. C. B. & L.). 8. Bought for cash, 4 tons of coal, \$25 (C. B.). (") Sold John Baker for cash, 10 bbls. Beef @ \$19 ; 27 sacks Salt @ \$1.20 ; 14 bbls. Lard @ \$30 ; 10 sacks Coffee, 2000 lbs. @ 28c. (C. B.). 10. Paid Thos. Walsh cash on %, \$500 (J. C. B. & L.). 11. Paid cash for a safe, \$175 (C. B.). 12. Student drew cash from the business, \$25 (J. C. B. & L.) 14. Sold Martin & Co. on %, 5 bbls. Lard @ \$29.50 ; 8 sacks Salt @ \$1.32 ; 3 bbls. Beef @ \$22 (J. & L.). 15. Sold Wm. Johnson for cash, 28 bbls. Flour @ \$7 (C. B.). (") Paid rent of store in cash, \$40 (C. B.). 16. Bought of John Smith for cash, 48 bbls. Sugar, 9600 lbs @ 4c. (C. B.). 17. Sold John Mitchell for cash, 5 bbls. Sugar, 1000 lbs. @ 5½c. (C. B.). 18. Sold Martin & Co. on %, 15 bbls. Sugar @ \$10.50 ; 8 bbls. Lard @ \$26 ; 4 sacks Coffee, 800 lbs. @ 27c (J. & L.) 19. Sold Thos. Robinson on %, 175 lbs. Maple Sugar @ 18c ; 51 doz. Eggs @ 25c. ; 59 lbs. Butter @ 27c. ; 128 lbs. Cheese @ 11c. (J. & L.). 21. Paid Thos. Walsh in full of % (J. C. B. & L.) 23. Sold Hiram Smith on %, 56 lbs. Butter @ 25c. ; 2 boxes Raisins @ \$3 ; 4 boxes Dates @ \$2.75 ; 3 boxes Prunes @ \$1.25 ; 5 boxes Crackers @ \$2 (J. & L.). 24. Received cash of Martin & Co. on %, \$224.06 (J. C. B. & L.) 25. Received cash of T. Robinson in full of % (J. C. B. & L.) 26. Sold Thos. Seymour for cash, 20 bbls. Sugar 4000 lbs. @ 5½c. (C. B.). 27. Received cash of Martin & Co. on %, \$200 (J. C. B. & L.) 28. Sold James Cook for cash, 2 bbls. Sugar @ \$12 ; 1 sack Coffee, 200 lbs @ 27c ; 1 bbl. Beef @ \$19 (C. B.). 31. Received cash of Martin & Co. in full of % (C. B., J. & L.). (") Paid expenses in cash as follows.—Clerk hire, \$75 ; Gas Bill, \$12 (C. B.)

INVENTORY - MERCHANDISE UNSOLD, VALUED AT \$2193.

SAFE VALUED AT COST PRICE, 175.

DAY BOOK OR JOURNAL.  
ARTHABASKA, QUE., JANUARY 1, 1904.

COLLEGE STUDENT	<i>Cr.</i>		\$6500
Commenced business with			
Cash on hand,		\$4000	
Merchandise,		2500	
----- 3 -----			
W. H. Smith	<i>Dr.</i>		146 50
Sold him on %			
15 bbls. Flour @ \$6.50		97 50	
4 chests Tea, 140 lbs. @ 35c.		49	
----- 5 -----			
THOS. WALSH	<i>Cr.</i>		1290
Bought of him on %			
25 bbls. Beef, 6000 lbs. @ 10c.		600	
15 sacks Coffee, 3000 lbs. @ 23c.		690	
----- 7 -----			
W. H. SMITH	<i>Cr.</i>		146 50
Received cash of him in full of %			
----- 10 -----			
THOS. WALSH	<i>Dr.</i>		600
Paid him cash on %			
----- 12 -----			
COLLEGE STUDENT	<i>Dr.</i>		25
Withdrew cash for private expenses			
----- 14 -----			
MARTIN & Co.	<i>Dr.</i>		224 08
Sold them on %			
5 bbls. Lard @ \$29.50		147 50	
8 sacks Salt @ \$1 32		10 56	
3 bbls. Lard @ \$22		66	
----- 18 -----			
MARTIN & Co.	<i>Dr.</i>		581 50
Sold them on %			
15 bbls. Sugar @ \$ 0.50		157 50	
8 " Lard " \$26		208	
4 sacks Coffee, 800 lbs. @ 27c.		216	

## ARTHABASKA, QUE., JANUARY 19, 1905

THOS. ROBINSON	<i>Dr.</i>		\$78 85
Sold him on %			
175 lbs Maple Sugar @ 18c.		\$31 50	
54 doz. Eggs " 25c.		13 50	
59 lbs Butter " 27c.		15 93	
128 " Cheese " 11c.		17 92	
----- 1 -----			
THOS WALSH	<i>Dr.</i>		690
Paid him cash in full of %			
----- 23 -----			
HIRAM SMITH	<i>Dr.</i>		53 75
Sold him on %			
56 lbs Butter @ 25c.		14	
2 boxes Raisins " \$3		6	
4 " Dates " 2.75		11	
3 " Prunes " 4.25		12 75	
5 " Crackers " 2		10	
----- 24 -----			
MARTIN & Co.	<i>Cr.</i>		224 06
Received cash of them on %			
----- 25 -----			
T. ROBINSON	<i>Cr.</i>		78 85
Received cash of him in full			
----- 27 -----			
MARTIN & Co.	<i>Cr.</i>		200
Received Cash of them on %			
----- 31 -----			
MARTIN & Co.	<i>Cr.</i>		381 50
Received cash of them in full			

## CASH BOOK.

ARTIABASKA, Que., AUGUST 10, 1905.

Jan	1	COLLEGE STUDENT,	Investment	\$4000	
"	2	MERCHANDISE,	Sold to James Brown	186	
"	4	"	Bought of J. Ford & Co.		\$480
"	7	W. H. SMITH,	Payment in full of %	146 50	
			<b>Balance on hand</b>		<b>3852 50</b>
				<u>4332 50</u>	<u>4332 50</u>
"	"		Balance on hand	3852 50	
"	8	EXPENSE,	Bought 4 tons of Coal		25
"	"	MERCHANDISE,	Sold to Jno. Baker	1203 75	
"	10	THOS. WALSH,	Paid him on %		600
"	11	EXPENSE,	Bought a safe		175
"	12	C. STUDENT,	Withdrew cash for private use		25
			<b>Balance on hand</b>		<b>4231 25</b>
				<u>5056 25</u>	<u>5056 25</u>
"	"		Balance on hand	4231 25	
"	15	MERCHANDISE,	Sold to Wm. Johnson	196	
"	"	EXPENSE,	Paid Store Rent		40
"	16	MERCHANDISE,	Bought of Jno. Smith		384
"	17	"	Sold to Jno. Mitchell	55	
"	21	THOS. WALSH,	Paid him in full of %		690
			<b>Balance on hand</b>		<b>3368 25</b>
				<u>4482 25</u>	<u>4482 25</u>
"	"		Balance on hand	3368 25	
"	24	MARTIN & Co.,	Received from them on %	224 06	
"	25	TH. ROBINSON,	Received in full of %	78 85	
"	26	MERCHANDISE,	Sold to T. Seymour	220	
"	27	MARTIN & Co.,	Received from them on %	200	
"	28	MERCHANDISE,	Sold to James Cook	97	
"	31	MARTIN & Co.,	Received from them in full of %	381 50	
"	"	EXPENSE,	Paid clerk hire and Gas bill		87
			<b>Balance on hand</b>		<b>4482 66</b>
				<u>4569 66</u>	<u>4569 66</u>

## LEDGER.

## COLLEGE STUDENT

Dr.

1905.			1905.				
Jan.	12	To Cash,	25	Jan.	1	By Sundries,	6500
		" Net Cap. to new act.	6904 41	"	31	" Net gain for the mo.	429 41
			6929 41				6929 41

Dr.

H. W. SMITH.

Cr.

1905.			1905.				
Jan.	3	To Mdse,	146 50	Jan.	7	By Cash,	146 50

Dr.

THOMAS WALSH.

Cr.

1905.			1905.				
Jan.	10	To Cash,	600	Jan.	5	By Mdse.,	1290
"	2	" "	610				
			1290				1290

Dr.

MARTIN &amp; CO.

Cr.

1905.			1905.				
Jan.	1	To Mdse,	224 06	Jan.	24	By Cash,	224 06
"	18	" "	581 50	"	27	" "	200
				"	31	" "	381 50
			805 56				805 56

Dr.

T. ROBINSON

Cr.

1905.			1905.				
Jan.	19	To Mdse.,	78 75	Jan.	25	By Cash,	78 75

DR.

HIRAM SMITH.

CR.

1905.				1905.		
Jan. 23	To Mdse.		53 75	Jan. 31	By Bal. to new acct.	53 75

Now that the transactions contained in the Day Book have been posted, you must make a statement of the resources and liabilities to ascertain if there has been a gain or a loss.

The resources consist of the debts due you, the amount of cash on hand, the merchandise in stock, the notes you hold against others, and any property that can produce value. Your liabilities consist of the debts you owe, and the notes others hold against you.

If from the sum of your resources you subtract the sum of your liabilities, the difference will be your *present worth*.

If at the end of the month your business is worth more than at the beginning, *there has been a gain*; if it is worth less, *there has been a loss*.

**To FIND THE GAIN** :—*Subtract the net credit from the present worth.*

**To FIND THE LOSS** :—*Subtract the present worth from the net credit.*

## STATEMENT, JAN. 31, 1905.

## RE-SOURCES.

Cash,	per Cash Book	\$4482 66	
Merchandise;	“ Inventory	2193	
Safe		175	
Hiram Smith, amount owed by him		53 75	
	Present worth	6904 41	
	Invested	\$6500	
	Withdrew	25	
	Net credit	6475	6475
	Net gain for the month		429 41



## Single Entry—Set II.

## CASH BOOK, SALES BOOK, INVOICE BOOK, CHECK BOOK, BILL BOOK, JOURNAL AND LEDGER

The transactions composing this set are those of the second set of Double Entry. The books to be written up are the **DAY BOOK**, or **JOURNAL**, the **LEDGER**, the **BILL BOOK**, the **CHECK BOOK**, the **INVOICE BOOK**, the **SALES BOOK**, and the **CASH BOOK**.

The **JOURNAL**, the **LEDGER**, and the **CASH BOOK** were defined in the Set for January.

The **BILL BOOK** contains a record of the notes that we receive from others, and that we give.

The **SALES BOOK** contains a record of the sales of merchandise, whether for cash or on time. All sales on time must be transferred to the Journal; those for cash must be entered in the Cash Book.

The **CHECK BOOK** contains a record of our dealing with the Bank.

The **INVOICE BOOK** contains copies of the invoices of goods bought. All purchases on time must be entered in the Journal; those for cash, in the Cash Book.

The different books are made out in full, and will aid you to write up the books of the practise set. As the Ledger is made in the second set of Double entry, it is not necessary to give it here. It must not be forgotten that a Single Entry Ledger contains only personal accounts; consequently, in your Ledger there will be no accounts for *Cash, Merchandise, Bills Receivable, Bills Payable* and *Expense*. A Single Entry Ledger does not show all the resources and liabilities of the merchant; A Double Entry does; it also shows the accounts which have produced a gain, and those which have produced a loss.

ARTHABASKA, FEBRUARY 1, 1905.

## MEMORANDA.

College Student commenced business this day with the following Resources and Liabilities:—

## RESOURCES.

Cash, \$3200; a note against John Jones, due Feb. 8, \$425.75; Merchandise, \$2800; John Mason owes me on %, \$581. *In the Journal, credit Student for the full amount of his investment. Enter cash in the C. B.; the note in the Bill Book.*

## LIABILITIES.

I owe R. Webster \$382; Wm. Black, \$314.25; David Bai ey holds a note against me for \$798.75. *(In the Journal, debit Student for the full amount, and credit R. Webster and W. Black, enter the note in the Bill Book.)* 2. Bought of J. Edwards, 25 bbls. Flour @ \$6.50; 25 bbls. Mess Pork @ \$19.75; 18 bbls. Sugar, 3600 lbs., @ 5c. Gave in payment, cash \$342.50; the balance charged on % *(Invoice Book. In the Journal credit Edwards for the full invoice, and debit him to cash. C. B.)* 3. Sold John

Mason. 14 bbls. Flour @ \$7.50 ; 12 boxes Tea @ \$19 ; 5 boxes Tobacco @ \$15. Received in part payment his note @ 10 days ; the balance charged on % (S. B.). *In the Journal, debit Mason for the full amount of the sale, and credit him for the note. Enter the note in the Bill Book.*) 4. Sold Wm. Lyman on his note @ 30 days, 12 bbls. Flour @ \$8 ; 5 bbls. Apples @ \$4.50 ; 7 boxes Dates @ \$3.25 (S. B. & B. B.) (" Deposited in College Bank \$1,500 (Ck. B.). 5. Sold W. H. Billings for cash, 125 bushels White Wheat @ 60c. ; 280 bushels Oats @ 52c. (C. B. & S. B.) 6. Bought of R. Booth, per check, 18 doz. cans Apples @ \$2.25 ; 18 doz. cans Peaches @ \$2.50 ; 18 doz. cans Tomatoes @ \$1.75 (Ck. B. & C. B.). (" Paid cash for a set a, \$15 (C. B.) 8. Sold John Mason 15 bbls. Mess Pork @ \$23 ; 12 bbls. S 200 lbs. @ 7c. ; 16 bbls. Flour @ \$8.75. Received in part payment, cash \$300 ; my note @ 5 days, \$175 ; the balance charged on % (S. B. *In the Journal debit Mason, for the full amount and credit him for the note and cash. Enter the note and cash in the proper books.*) (" John Jones has this day paid his note, \$425.75 (C. B. *In the Bill Book mark the note as paid.*) 9. Sold Wm. Adams for cash, 3 doz. cans Apples @ \$3.25 ; 4 doz. cans Peaches @ \$3 ; 7 doz. cans Tomatoes, @ \$2.75 (S. B. & C. B.) (" Bought of T. Porter on my note @ 10 days, 3 hlds. Molasses, 270 gallons, @ 40c. ; 12 boxes Valencia Raisins @ \$2.25 ; 5 bbls. California Claret, 200 gallons, @ 65c. (Inv. B. & B. B.) 10. Received cash of John Mason on %, \$425 (J. & C. B.). (" Sold John Brown on his note @ 5 days, 12 buckets Raspberry Jelly, 360 lbs. @ 9c. ; 12 buckets Blueberry Jelly, 360 lbs., @ 12c. ; 12 buckets Blackberry Jelly, 360 lbs., @ 8c. (S. B. & B. B.) 11. Paid cash on % as follows : W. Black, \$150 ; R. Webster, \$125 ; J. Edwards \$200 (J. & C. B.). 12. Sold Chas. Bowman for cash, 8 doz. cans Apples @ \$3.40 ; 5 doz. cans Peaches @ \$3.15 ; 7 doz. cans Corn @ \$1.50 ; 1 hhd. Molasses, 90 gallons, @ 55c. (C. B. & S. B.) 13. Sold H. Newton on his note @ 3 days, 7 bbls. Sugar, 1400 lbs., @ 8c. ; 5 bbls. Rice, 1500 lbs., @ 5c. ; 6 bbls. Beans, 1080 lbs. @ 4c. (S. B. & B. B.) (" Paid cash for 5 tons of coal, \$30 (C. B.) 15. Bought of C. Jackson & Bro., 15 hlds. Molasses, 1500 gallons @ 30c. ; 18 bbls. Sugar, 3600 lbs. @ 5c. Gave in part payment, cash \$125 (C. & B.) ; my note @ 5 days, \$125 (B. B.) ; the balance on % (Inv. B. *In the Journal, credit Jackson & Bro. for the full amount and debit them for the cash and note.*) 16. Paid my note in favor of L. Bailey, \$798.75 (C. B. & B. B.) (" Sold John Mason 9 hlds. Molasses, 900 gallons @ 45c. ; 12 bbls. Sugar, 2400 lbs. @ 8c. ; 4 sacks Rio Coffee, 800 lbs. @ 28c. Received in part payment, cash \$225. The balance charged on % (S. B., J. & C. B.). (" Received cash of Jno. Mason for his note of the 8th (C. B. & B. B.). (" Jno. Brown has this day paid his note of the 10th (C. B. & B. B.) 18. Sold Robert Walsh for cash, 4 bbls. Sugar, 800 lbs. @ 8c. ; 2 bbls. Wine, 80 gallons @ 75c. ; 2 bbls. Pork @ \$15.75 (S. B. & C. B.) 19. John Mason has this day paid his note of the 3rd inst. (C. B. & B. B.) (" Received cash of H. Newton for his note of the 13th (C. B. & B. B.) 20. Bought of Thos. Smith per check, 18 bbls. Flour @ \$5.50 ; 1 doz. Sugar-Cured Hams, 168 lbs @ 14c (Inv. Book, (C. B. & C. B.) 21. Drew cash for personal expenses, \$50 (J. & C. B.) 22. Paid my note of the 9th, favor T. Porter (C. B. & B. B.) (" Sold W. G. Byrne for cash, 12 bbls. Flour @ \$6.75 (S. B. & C. B.) 23. Paid my note of the 15th, favor Jackson & Bro (C. B. & B. B.) 25. Paid checks to the following persons on % : R. Webster, \$125 ; W. Black, \$100 ; Jackson & Bro., \$200 (J., Ck. B. & C. B.) 28. Paid the following expenses in cash : Clerk Hire, \$50 ; Gas Bill, \$6.75 ; Store Rent \$40 (C. B.)

# JOURNAL.

ARTHURASKA, Que., FEBRUARY 1, 1905.

COLLEGE STUDENT. <span style="float: right;"><i>Cr.</i></span> Commenced business with Cash on hand Merchandise A note against John Jones, due February 8 John Mason owes me on \$	\$3200 2800 425 75 581	\$7006 75	
1			
JOHN MASON, <span style="float: right;"><i>Dr.</i></span> He owes me on \$		581	
1			
COLLEGE STUDENT, <span style="float: right;"><i>Dr.</i></span> I owe Richard Webster on \$ I owe Wm. Black D. Bailey holds a note against me for	1495	382 314 25 798 75	
1			
RICHARD WEBSTER, <span style="float: right;"><i>Cr.</i></span> I owe him on \$		382	
1			
WM. BLACK, <span style="float: right;"><i>Cr.</i></span> I owe him on \$		314 25	
2			
JOHN EDWARDS, <span style="float: right;"><i>Cr.</i></span> Bought Mdse, of him as per Invoice Book		836 25	
2			
JOHN EDWARDS, <span style="float: right;"><i>Dr.</i></span> Paid him on \$		342 50	
3			
JOHN MASON, <span style="float: right;"><i>Dr.</i></span> Sold him Mdse, as per S. B.		408	
3			
JOHN MASON, <span style="float: right;"><i>Cr.</i></span> Received his note on \$		125	
5			
JOHN MASON, <span style="float: right;"><i>Dr.</i></span> Sold him Mdse, as per S. B.		653	

## JOURNAL

ARTHABASKA, Que., FEBRUARY 8, 1905.

JOHN MASON,	<i>Cr.</i>		\$475
Received cash from him on %		\$300	
" his note @ 5 days on %		175	
----- 11 -----			
WM. BLACK,	<i>Dr.</i>		150
Paid him cash on %			
-----			
RICHARD WEBSTER,	<i>Dr.</i>		125
Paid him cash on %			
-----			
JOHN EDWARDS,	<i>Dr.</i>		200
Paid him cash on %			
----- 15 -----			
JACKSON & BRO.,	<i>Cr.</i>		630
By Bill of Mdse, as per Invoice Book			
-----			
JACKSON & BRO.,	<i>Dr.</i>		250
Paid them cash on %		125	
" " my note @ 5 days		125	
----- 16 -----			
JOHN MASON,	<i>Dr.</i>		821
To Bill of Mdsc. as per S. B.			
-----			
JOHN MASON,	<i>Cr.</i>		325
Received cash of him on %			
----- 21 -----			
STUDENT,	<i>Dr.</i>		50
Drew cash for private use			
----- 25 -----			
RICHARD WEBSTER,	<i>Dr.</i>		125
Paid him cash on %			
-----			
WM. BLACK,	<i>Dr.</i>		
Paid him cash on %			
-----			
JACKSON & BRO.,	<i>Dr.</i>		200
Paid them cash on %			

## SALES BOOK

ARTHABESKA, Que., FEBRUARY 3, 1905.

Sold JOHN MASON,			
14 bbls. Flour @ \$7.50		\$105	
12 boxes Tea @ \$19		228	
5 boxes Tobacco @ \$15		75	
Received in part payment his note @ 10 days			\$125
The Balance charged on %			283
4			
Sold WM. LYMAN,			
12 bbls Flour @ \$8		96	
5 " Apples \$4.50		22 50	
7 boxes Dates @ \$3 25		22 75	141 25
Received his note @ 30 days			
5			
Sold W. H. BILLINGS,			
125 bushels White Wheat @ 60c.	<i>Paid.</i>	75	
280 " Oats @ 52c.		145 60	220 60
8			
Sold JOHN MASON,			
15 bbls Mess Pork @ \$23		345	
12 " Sugar, 2400 lbs. @ 7c.		168	
16 " Flour, @ \$8.75		140	
Received in part payment			175
His note @ 5 days			300
Cash			178
The balance charged on %			
9			
Sold WM. ADAMS,			
3 doz. cans Apples @ \$3.25	<i>Paid.</i>	9 75	
4 " " Peaches @ \$3		12	
7 " " Tomatoes @ \$2.75		19 25	41
10			
Sold JOHN BROWN, on his note @ 10 days,			
12 buckets Raspberry Jelly, 360 lbs @ 9c.		32 40	
12 " Blueberry " 360 " " 12c.		43 20	
12 " Blackberry " 360 " " 8c.		28 80	104 40
12			
Sold CHAS. BOWMAN,			
8 doz. cans Apples @ \$3.40	<i>Paid.</i>	27 20	
5 " " Peaches @ \$3.15		15 75	
7 " " Corn @ \$1.50		10 50	
1 hhd. Molasses, 90 gallons, @ 55c.		49 50	102 95

## SALES BOOK.

ARTHABASKA, QUE., FEBRUARY 13, 1905.

Sold HENRY NEWTON on his note @ 3 days, 7 bbls. Sugar, 1400 lbs. @ 8c. 5 " Rice, 1500 lbs. @ 5c. 6 " Beans, 1080 lbs @ 4c.		\$112 75 43 20	\$230 20
----- 16 -----			
Sold JOHN MASON, 9 hlds. Molasses, 900 gallons @ 45c. 12 bbls Sugar, 2,400 lbs. @ 8c. 4 sacks Rio Coffee, 800 lbs. @ 28c. Received on % cash The balance charged		405 192 224	325 496
----- 18 -----			
Sold ROBERT WALSH, 4 bbls. Sugar, 800 lbs. @ 8c. 2 " Wine, 80 gallons @ 75c. 2 " Pork @ \$15.75	<i>Paid.</i>	64 60 31 50	155 50
----- 22 -----			
Sold W. G. BYRNE, 12 bbis. Flour @ \$6.75.	<i>Paid.</i>		81

## CASH BOOK.

ARTHABASKA, QUE., FEB. 1, 1905.

CASH.		DR	CR.
Feb. 1	College Student, Investment	\$3200	
" 2	Merchandise, Bo't. of Jno. Edwards as per Inv. B.		\$342 50
" 5	" " Sold W. H. Billings as per Sales B.	220 60	
" 6	" " Bo't. of R. Booth as per Invoice B.		117
" "	Expense, Bought a set of books for office use		15
	Balance on hand		2946 10
		3420 60	3420 60
	Balance on hand	2946 10	
Feb. 8	Merchandise, Sold Jno. Mason as per Sales Book	300	
" 9	Bills Receivable, John Jones pays his note	425 75	
" 9	Merchandise, Sold Wm. Adams as per Sales Book	41	
" 10	Jno. Mason, Received of him on %	425	
" "	Wm. Black, Paid him on %		150
" "	R. Webster, " "		125
" "	J. Edwards, " "		200
" 12	Merchandise, Sold C. Bowman as per Sales Book	102 95	
" 13	Expense, Bought 5 tons of coal		30
	Balance on hand		3735 80
		4240 80	4240 80
	Balance on hand	3735 80	
Feb. 15	Merchandise, Bo't. of Johnson & Bro. as per Inv. B.		125
" 16	Bills Payable, Paid my note in favor D. Bailey		798 7
" "	Merchandise, Sold John Mason as per Sales Book	325	
" "	Bills Receivable, Jno. Mason paid his note of the 8th	175	
" "	" " Jno. Brown " " " 13th	104 40	
" 18	Merchandise, Sold Robert Walsh as per Sales B.	155 50	
" 19	Bills Receivable, Jno. Mason paid his note of the 3rd	125	
" "	" " H. Newton " " " 13th	230 20	
" 20	Merchandise, Bo't. of T. Smith as per Invoice B.		122 52
" 21	College Student, Drew cash for private use		50
	Balance on hand		3754 63
		4850	4850 90
	Balance on hand	3754 63	
Feb. 22	Bills Payable,		265
" "	Merchandise,	81	
" 23	Bills Payable,		125
" 25	R. Webster,		125
" "	W. Black,		100
" "	Jackson & Bro.		200
" 28	Expense,		96 75
	Balance on hand		2923 88
		3885 63	3885 63

## CHECK BOOK.

Feb. 4, Deposited \$1,500. " 6, Check No. 1, 117. <hr/> \$1,383	No 1. Arthabaska, Feb. 6, 1905. Commercial College Bank : Pay to Robert Booth, or order, One Hundred and seventeen $\frac{1}{100}$ Dollars. \$117. $\frac{1}{100}$ . College Student.
Paid R. Booth for Merchandise	
Feb. 21. On deposit \$1383. Check No 2, 122.52 <hr/> \$1260.48	No 2. Arthabaska, Feb. 20, 1905. Commercial College Bank : Pay to Thomas Smith, or order, One Hundred and seventy-two $\frac{1}{100}$ Dollars. \$122. $\frac{1}{100}$ . College Student.
T. Smith for Merchandise	
Feb. 25. On Deposit \$1260.48 Check No. 3, 125. <hr/> \$1135.48	No. 3. Arthabaska, Feb. 25, 1905. Commercial College Bank : Pay to Richard Webster, or order, One Hundred and twenty-five $\frac{1}{100}$ Dollars. \$125. $\frac{1}{100}$ . College Student
Richard Webster on %	
Feb. 25. On Deposit \$1135.48 Check No. 4, 100 <hr/> \$1035.48	No. 4. Arthabaska, Feb. 25, 1905. Commercial College Bank : Pay to Wm. Black or order, One Hundred $\frac{1}{100}$ Dollars. \$100. $\frac{1}{100}$ . College Student.
Wm. Black on %	
Feb. 25 \$1035.48 Check No 5, 200. <hr/> \$835.48	No. 5. Arthabaska, Feb. 25, 1905. Commercial College Bank : Pay to C. Jackson & Bro, or order, Two Hundred $\frac{1}{100}$ Dollars. \$200. $\frac{1}{100}$ . College Student.



# Invoice Book.

ARTHABASKA, FEB 2, 1905.

COLLEGE STUDENT

In account with JOHN EDWARDS,

Wholesale Grocer and Commission Merchant,

19, 21, 23 South Spring St.

To 25 bbls. Flour at \$6.50,	162 50	
“ 25 “ Mess Pork at \$19.75	493 75	
“ 18 “ Sugar, 3600 lbs. at 5c,	180	836 25
	—	—
<i>Cr.</i>		
By Cash on account,		342 50
Balance charged on account,		493 75

ARTHABASKA, Feb. 2, 1905.

COLLEGE STUDENT,

Bought of R. BOOTH,

Wholesale and Retail Grocer,

2, 4, 6, 8 Short St.

Terms:—Cash.

18 doz. Cans Apples, at \$2.25,	40 50	
18 “ “ Peaches, at \$2.50	45	
18 “ “ Tomatoes at \$1.75,	31 50	117
	—	—
Received Payment,		
R. BOOTH,		
Per H. DUNDERDALE.		

## INVOICE BOOK.

ARTHABASKA, Feb. 9, 1905.

THOMAS PORTER,

Sold COLLEGE STUDENT,

Commission Merchant,

79, 81, 83 Church St.

3 hlds. N.O. Molasses, 270 gallons, at 40c.,	108	
12 boxes Valencia Raisins, at \$2.25,	27	
5 bbls. California Claret, 200 gallons, at 65c.	130	
		265
Received Payment by note at 10 days.		
THOMAS PORTER,		
Per W. J. MURPHY		

ARTHABASKA, Feb. 15, 1905.

COLLEGE STUDENT,

Bought of C. JACKSON &amp; BRO.,

General Grocers and Commission Merchants,

7, 9, 11, 13 Front St.

15 hlds. Molasses, 1500 gallons, at 30c.,	450	
18 bbls. Sugar, 3600 lbs. at 5c.,	180	
		630
<i>Cr.</i>		
By Cash paid on account,	125	
" Note at 5 days,	125	
		250
Balance charged on account,		\$380

ARTHABASKA, Feb 20, 1905.

COLLEGE STUDENT,

Bought of T. SMITH, Gen. Grocer,

24, 26, 28 Court St.

18 bbls. Flour at \$5.50,	99	
1 doz. Sugar-cured Hams, 168 lbs., at 14c.,	23 52	
		122 52
Received Payment.		
T. SMITH.		

## STATEMENT.—FEBRUARY 28, 1905.

RESOURCES.			
Cash,	As per Cash Book . . . . .	2923	88
Merchandise,	Inventory . . . . .	3150	
Bills Receivable,	Note No. 3, against W. Lyman . . .	141	25
John Mason,	Balance due . . . . .	1113	
			7328 13
LIABILITIES.			
R. Webster,	I owe him . . . . .	132	
W. Black,	" " . . . . .	64	25
J. Edwards,	" " . . . . .	293	75
Jackson & Bro.,	" them . . . . .	180	670
Present worth . . . . .			665 13
Invested, net investment . . . . .		5511	75
Withdrew . . . . .		50	
Net credit . . . . .		5461	75
			5461 75
<i>Net gain for the month . . . . .</i>			<i>\$1196 38</i>

## SETS FOR REVIEWS, EXAMINATIONS, OR COMPETITIONS.

## JANUARY.—SET I.

Jan. 1. Student commenced business with: Cash, \$1000; Mdse, \$1500.—3. Bought of A. Mackenzie Mdse for \$566; received on % \$81.—4. Sold L. Waters for cash Mdse, \$99.—5. Sold M. Smith on %, Mdse, \$42.—7. Bought of C. Barry, for cash, Mdse \$140.—8. Sold A. Perry, for Cash, Mdse, \$160.—11. Sold J. Alexander, Mdse \$107.—Bought of A. Slow, for cash, Mdse, \$100.—14. Paid expenses, \$60.

Mdse unsold: \$2040. Net gain: \$82.

## SET II.

Jan. 1. The proprietor began business with Merchandise on hand valued @ \$5650.—2. Sold Mdse to A. C. Hart on % \$2500.—3. Sold Mdse for Cash, \$1750.—4. Bought Merchandise of B. F. Day on % \$980.—5. A. C. Hart has paid in Cash on % \$2200.—6. Bought a vacant lot for Cash, \$3000.—8. Sold Mdse for Cash, \$1200.—9. Paid B. F. Day, Cash on % \$500.—10. Sold for Cash, my vacant lot \$3300.—12. Sold for Cash my entire stock of Mdse. \$1000.

Net gain: \$120.

## FEBRUARY.—SET I.

Feb. 1. Commenced business investing as follows: 80 bbls. flour at \$3.80. Cash \$300. 2. Bought of Barrow & Co. on account, 100 bbls. flour at \$3.75. Sold D. Nott, for cash, 20 bbls flour at \$4.10. 3. Sold D. Nott, on note at 10 days, 30 bbls. flour at \$4.15. The cash sales were \$40 for this day. 5. Bought of C. Taste., for cash, 60 bbls. flour at \$3.60. Bought of Barrow & Co. on note at 30 days, 60 bbls. flour at \$3.80. Sold C. Mann, 100 bbls flour at \$4 10. Received on payment, cash \$200 and note 2 mos. for balance. The cash sales were \$35.50 for this day. 6. Paid Barrow & Co. \$200 cash on account. Sold C. Jones, on account, 50 bbls. flour at \$4.20. Cash sales were \$52 for this day. 7. Bought of C. Taste, 60 bbls. flour at \$4.00. Gave in payment, cash \$100 and note at 2 mos. for balance. 8. Sold C. Mann, on account, 80 bbls flour at \$4.20. Sold H. Will, for cash, 60 bbls. flour at \$4.10. Sold T. Ware on note at 60 days, 50 bbls flour at \$4.15. 13. D Nott paid his note given on 3rd instant. C. Jones paid on account cash \$150. Sold the balance of flour on hand for \$30.

Mdse: Dr, \$1363; Cr, \$1773.50.

Net gain, \$410.50.

## MARCH.—SET I.

Mar. 1.—Began business with a cash investment \$7000.—2. Bought of J. Dearden on %, 402 bbls. Flour @ \$5.15.—3. Paid store rent for one month \$125.—4. Bought of Jos. Ling on % 805 bu. Wheat @ 90c; 1500 bu. Corn @ 50c.—5. Sold Thomas Flynn on % 600 bu. Corn @ 60c.—6. Sold James McShane for Cash, 50 bbls. Flour @ \$6.25; 100 bu. Wheat @ \$1.00.—8. Sold to King & Johnson, 98 bbls. Flour @ \$6.25. Received in payment Cash \$212.50, Balance on %. 9. Bought of Samuel Hughes, 500 bu. Corn at 55c. Paid Cash \$75. Gave my note @ 30 days for balance.—10. Received Cash of Thomas Flynn on % \$162.75.—12. Sold James Hogg on his note @ 30 days, 800 bu Corn @ 55c., 300 bu. Wheat @ 95c.—15. Gave Jos. Ling my note @ 30 days, to balance his account.—17. Bought for Cash C. P. R. Stock, 50 shares @ \$100.—20. Paid J. Dearden Cash on % \$823.50.—22. James Hogg has prepaid his note of the 12th. Cash received. Discount allowed him for days.—24 Sold Henry Arton 207 bbls. Flour @ \$6.50. Received Cash \$545 50. His note @ 10 days for balance. 25. Discounted my note of the 15th. Face of note Discount allowed me for—days.—Paid proceeds in Cash.—27.—Sold for Cash C. P. R. Stock, 50 Shares @ \$98.—31. Received from King & Johnson on % \$256.75.

Inventory: Mdse. \$900.

Net gain, \$312.84.

## SET II.

Mar. 2. Commenced business this day, investing as follows: Cash on hand, \$600. Bought of H. H. Gay on note at ten days, goods as per invoice, \$560. 4. Sold H. Rice on account 25 lbs. tea at 40c., 20 lbs coffee at 50c. Paid cash for fuel \$6 20. 6. Sold C. Lyons for cash 2 bbls. flour at \$3.50. 7. Deposited in bank, cash, \$300.

Paid cash for advertising \$2.20. 9. Sold A. H. Barry on his note at 10 days 5 bbls. apples at \$2.50 a bbl.; 60 lbs ham at 12c. Paid cash for stationery \$1.25. 11. H. Rice paid on account, per check \$10. Bought of C. A. Dalton on account, 300 bush potatoes at 25c. a bush. 13. Paid cash for telegram 75c. Sold C. H. Sullivan 10 bbls. apples at \$2.75; 100 bush. potatoes at 28c; received in part payment his check for \$30. 14. Paid C. A. Dalton on account, cash \$37.50. Sold B. West on his note at 30 days 30 lbs. tea at 40c.; 108 lbs. ham at 13c. 15. Paid clerk's salary, per check, \$15. Paid rent, per check, 14.20. Sold my entire stock of goods for cash, \$545. Paid my note favor of H. Gay with cash, \$560. Net Loss, 1.32.

## SET III.

March 1. Resources: Cash, \$400; Mdse, \$200; Bills Receivable, \$200; J. Brown, \$50; A. Smith, \$50; College Bank, \$300. Liabilities: J. Johnson, \$60; H. Wilson, \$40; Bills Payable, \$100. Bought of H. Pepin, Mdse for \$20; gave in payment my note @ 10 days, \$10; balance on  $\%$ . (2). Rec'd. of J. Verdier for his note due to-day, \$50. (3). Deposited cash in College Bank \$100. (4). Bought of H. Pepin, Mdse for \$100; gave in payment: my note @ 10 days \$25; A. Bourbeau's note in my favor due 7th inst. \$50; my check on College Bank for the balance. (6). Sold J. Brown, Mdse for \$175; rec'd in payment his note @ 12 days \$20; my note of Jan. 17th in favor of H. Brien, due 12th inst. \$20; his check on Molsons Bank \$30; Balance on  $\%$ . (8). Lost by fire, Mdse to the amount of \$12. (10). Rec'd of J. Brown, cash on  $\%$  \$50. (12). Sold H. Rompré, Mdse for \$30; rec'd in payment his note @ 10 days \$10; his check on Molsons Bank \$10; balance on  $\%$ . (13). Sold M. St-Jacques, Mdse for \$30; Rec'd in payment his check on Molsons Bank \$10; my note of 1st inst. in favor H. Pepin; balance on  $\%$ . (14). Bought of H. Roy, a House and Lot \$800; gave in payment my check \$200; my note at 30 days for the balance (15). Paid my note of January 14th, due to day by check on College Bank \$80. (16). Paid J. Johnson, cash in full. (17). Paid my note of the 4th inst. favor H. Pepin, in cash. (20). Drew cash for private use \$10. (21). Donated cash to a Charitable Institution \$10. (21). Rec'd cash of J. Brown for his note of the 6th inst. (24). H. Rompre has this day paid his note of the 12th inst. by check on Molsons Bank. (26). Sold H. Pepin, Mdse for \$24; rec'd in payment his note @ 30 days. (27). Bought of A. Bourbeau, Mdse for \$40; gave in payment H. Pepin's note of the 26th inst., in my favor; cash for the balance. (28). Paid the following expenses in cash: Clerk hire \$40; Store Rent \$25.

Merchandise Inv. \$185

Real Estate " 800. Net Loss: \$43.

## SET IV.

Mar. 1. Student commenced Business this day with the following Resources and Liabilities—Resources—Cash \$4000—College Bank \$4000—Mdse \$1500—A note against A. Robert \$1000, due May 20.—A note against J. Roberge \$500, due May 13.—L. Bourgeois on  $\%$  \$400—Liabilities—A note favor A. Began \$600, due June 2.—A note favor H. Hotte \$200, due May 2.—H. Bernard on  $\%$ , \$612.50—(2) Sold A.

Goodman on his note at 10 days, with interest, 50 bbls. Flour @ \$6. (3) Paid H. Bernard cash on % \$150 (4) Student drew for private use \$10. (5) Gave H. Bernard my note @ 10 days, with interest in full of %. (8) Prepaid my note favor A. Begin, less discount for unexpired time, in cash—(8) Bought of A. King, Mdse for \$300; gave in payment cash \$200; balance on %. (9) Rec'd of L. Bourgeois, in full of account: cash \$200; his note at 60 days for the balance. (10) Sold A. Beauchesne on %, Mdse for \$120 (12) Rec'd cash of A. Robert, less discount, for his note of March 1. (13) Sold C. Quinn for \$360; rec'd in payment cash \$60; his note @ 60 days \$150; the balance on %. (15) Rec'd cash of A. Goodman, for his note of March 2, with interest (16) Paid H. Hotté's note in cash, less discount for unexpired time. (16) Bought of H. Dion, Mdse for \$600: gave in payment cash \$400; my note @ 60 days \$200; balance on % (18) Paid my note of the 5th inst., favor H. Bernard, and interest by check on College Bank. (20) Rec'd cash of J. Roberge for his note, less discount for unexpired time—(21) Sold R. Marchand for \$300; rec'd in payment cash \$160; his check on the Molsos Bank \$100; balance on %. (25) Paid H. Dion \$200, by check on College Bank. (26) Deposited R. Marchand's check in College Bank. (28). Bought of H. Brodeur, Mdse for \$500; gave in payment my note at 60 days \$100; my check on College Bank \$100; Quinn's note in my favor: cash \$100; balance on %. 29. Sold H. Nault for \$500; rec'd in payment my note favor H. Dion; his note at 10 days \$100; his check \$100; W. Jutras' note in his favor \$50, cash for the balance. (30). Lost Mdse, by fire to the amount of \$50. (30). Paid clerks' salaries by check \$130. (30) Bought 2 lots on Church St. \$1000, gave in payment my check on College Bank \$500; my note at 20 days for the balance. (31). Sold H. Dunn 1 lot on Church St. \$700; rec'd in payment his note with interest @ 90 days \$200; his check \$200; cash \$100; balance on %. (31). Paid rent of store by check on College Bank \$40. (31). Drew cash for private use \$20.

Mdse Inventory \$1350.

Real Estate Inventory \$500. Net gain: \$23.90. *Resources*: Cash, \$5184.89; Mdse \$1350; C. Bank, \$2666.51; Bills Receivable, \$550; Beauchesne, \$120; Quinn, \$150; Marchand, \$40; Real Estate, \$500. *Liabilities*: Bills Payable, \$600; King, \$100; Brodeur, \$50. *Net Capital*; \$10011.40.

#### APRIL & MAY.—SET I.

April 1. Commenced business investing as follows: Cash on hand \$500, goods in store \$600, fuel on hand \$13. 2. Bought for cash a horse and delivery wagon \$120. Deposited in the Bank of Montreal cash \$300; cash sales \$25.50. 4. Sold C. S. Ross on his note at ten days: 20 sacks flour at \$1.75, 30 bush. potatoes 25c., 50 lbs., s. c. ham at 12c.; cash sales \$30. 6. Bought stationery per check, \$1.20, paid for advertising cash \$1.60, cash sales \$28.70. 7. Sold M. C. Pierce on account 25 lbs. rolled oats at 5c., 2 bbls. apples \$3.25, cash sales \$17.90. 8. Bought of Boyce, Quebec, goods as per invoice No.— \$200. Remitted in payment a bank draft purchased by check (exchange at  $\frac{1}{2}$  per cent.), Cash sales \$35.75. 9. Bought of James Mann for cash 100 bush. potatoes at 20c., cash sales \$29.30. 10. C. S. Ross prepaid his note, discount allowed 25c., proceeds \$—, cash sales \$35.60. 11. Sold horse and wagon for cash \$130, cash sales \$39.70. 13. Bought of C. Perry on my note at 30 days payable at

Bank of Commerce an office desk \$60, cash sales \$19.40. 14. Sold A. Carter, 100 lbs. s. c. ham at 12c., 20 lbs. gran. sugar at 5c., \$— R'cd in payment his note at 2 months, payable at Bank of Montreal, cash sales \$22.65. 15. Sold out my entire stock of goods for cash \$580.45 ; sold M. C. Pierce office desk for \$57.50, and fuel for \$4.60. R'cd his note at one month payable at Bank of Commerce to close account, \$—.

Gain : \$110.

#### SET II.

May 1. Commenced with : Cash, \$2575 ; Mdse, \$6150 ; S. Root owed \$225 ; P. Noble's note, \$150, due the 6th inst. Owed : R. Fraser, \$850 ; a note in favor of G. Henry due in 4 months. \$500 2. Sold O. Maguire, mdse, \$28, rec'd \$12 balance on %. Sold V. Tracy on %, mdse, \$14.—3. Bought of N. Week, for cash, mdse \$60. Sold D. Plant on note for 30 days, mdse \$42.50. P. Noble paid his note.—4. Accepted draft of R. Fraser at 3 days' sight favor of H. Loomis in payment of my account. Sold E. White on %, mdse, \$65.75 —5. S. Root paid in full.—6. Paid acceptance of 4th inst. Sold E. White on %, mdse, \$10. Cash sales, \$213.70. Paid expenses, \$81.50.

Mdse Inventory, \$6220. Net gain, \$4.95.

#### SET III.

April 1. A. More commenced business with : Cash, 1650 ; Mdse \$950 ; B. Power's note for \$75. He owed N. Lane \$50. 2. Bought of C. Ling, mdse \$180. Gave in payment my note at 30 days. B. Power paid note in Cash.—4. Bought of E. Gage, mdse \$160. Remitted him a draft purchased for cash (exchange  $\frac{1}{2}$  %). Sold J. Hinch, mdse \$47.90. Received cash \$20 : balance on %.—6. Donated to Hospital, \$15. Withdrew for private use. \$ 1. Paid N. Lane on % \$25.—9. Sold W. Ives, mdse \$854.50 ; received cash \$50 and note at 10 days for balance,—11. J. Hinch paid in full of %. Sold T. Murphy mdse, \$60 : received cash \$30, and an order on J. Healy for the balance,—14. Paid B. Power's balance \$25. Cash Sales, \$196.60. Paid sundry expenses, \$45.50.

Inv. : Mdse on hand \$575.

Net gain, \$198.05

#### SET IV.

May 1. Begun Business this day with Cash \$2800—Mdse \$3400—R. Gravel owes me % \$500—I owe R. Brown \$600 ; a note favor L. Lemieux \$500, due May 11. (4). Bought of A. Sylvester Mdse for \$1500 : gave in payment my note for \$1000, 60 days : balance in cash. (5). Drew a draft 60 days on R. Gravel in my favor for \$200, and had it discounted at the College Bank, the proceeds being placed to my credit. (5). Sold S. de Billy on his note 60 17 days, with interest \$100. (8). Sold to R. Brown Mdse for \$1700 ; rec'd in payment his check on Molson's Bank \$400, my note favor L. Lemieux ; Balance on %. (10). Lost Mdse by fire to the amount of \$300. (11). Prepaid my note favor A. Sylvester in cash, less discount. (12). Sold L. Bourgeois Mdse on his note 60 90 days \$100. (13). Paid for expenses in cash \$200. (14). Bought of M. Blondin Mdse for \$300 ; gave in payment my check \$100 ; balance on

Mdse Inventory \$3800. Gain : \$312.07.

Close the Accounts.

(May 16). Drew a draft at 90 days on R. Gravel and remitted it to M. Blondin \$100. (16). Rec'd from R. Brown cash \$200. (20). Sold G. Poirier Mdse \$800; rec'd in payment an order on me by W. Gagnon \$100; a draft 60 days for \$500 drawn in his favor by J. Dufresne on A. Hamel, and transferred to me by a full indorsement. The draft was accepted May 2nd, the date of the draft; his check on Quebec bank for the balance. (25). Rec'd cash of S. de Billy for his note of the 5th inst. (26). Sold A. Ferron, for cash, all my goods on hand amounting to \$3,500. (27). L. Bourgeois prepaid his note of the 12th inst., less discount by check on Molsons Bank. (28). Rec'd cash of A. Hamel for his acceptance favor G. Poirier, and transferred to me May 20, less disct. (30). Drew a draft @ 50 days on W. Gagnon for \$100, and had it discounted at the College Bank, the proceeds being placed to my credit. (31). Deposited all my cash in the College Bank.

Gain : \$495.24.

#### SET V.

April 2. Commenced business, investing as follows : Cash on hand \$300 ; cash on deposit in the Quebec Bank \$1000 ; goods in store \$600 ; fuel on hand \$12.50 ; A. Simpson owes me, \$75 : I owe J. Green \$10.50.—4. Paid for stationery per check, \$3.60. Bought of Hamilton & Sons, Winnipeg, Mdse as per invoice, \$219. Gave in payment my acceptance @ 30 days, payable at the Quebec Bank. Paid for repairs with goods from store, \$3.90.—6. Sold C. H. Murray on %, Mdse, \$328.25.—9. Bought of Bunting & Co., Montreal, Mdse, \$260. Remitted in full payment a draft purchased per check (Exchange,  $\frac{1}{4}$  %.) Paid freight per check \$13.60. Took goods from store for private use, \$15.25. Paid J. Green on %, \$5.—13. Prepaid my acceptance favor of Hamilton & Sons, per check, rate of discount 8 %. C. H. Murray paid on % cash, \$50. Withdrew for private use cash, \$17.50. Cash sales, \$147.50.—15. A. Simpson paid on @ per check, \$25. Paid clerk's salary per check, \$28. Paid cash for delivering goods, \$1.30.

Inventories ; Mdse, \$626.61 ; Expense, \$7.25.

Net loss, \$12.44.

#### JUNE AND JULY.—SET I.

May 1. Student commenced business with the following Resources and Liabilities. Resources : Cash, \$5000 ; College Bank, \$2000 ; Mdse, \$2000 ; Real Estate, \$1000 ; Bills Receivable, \$1000 ; Expense, (Inv.), \$100 ; S. de Billy, \$100 ; A. Rousseau, \$200 ; A. Perreault, \$300 ; J. Roux, \$200. Liabilities : Bills Payable, \$300, J. Deblois, \$80 ; A. Patry, \$100 ; A. Dutil, \$200. (2) Sold H. Marchand \$200 ; rec'd in payment A. Dutil's order on me \$100 ; his check on Molsons Bank \$20 ; a draft @ 90 days in his favor, drawn by J. Kelley on E. Poulin, and which was accepted March 1st for the balance \$80. (4) Drew a sight draft on A. Perreault for \$80 and remitted it to J. Deblois. (6) Bought of P. Hamel, Mdse for \$300 ; gave in payment Cash \$50 ; my check on College Bank \$50 ; my draft on J. Roux @ 10 days \$50 ; A. Bourbeau's note in my favor \$50 ; balance on % \$100. (8) Drew a draft @ 47 days, favor of myself, on J. Roux for \$100 and had it discounted at the College Bank ; proceeds placed to my credit. (9) Sold E. Lamontagne \$400 ; rec'd in payment his check on Jacques Cartier Bank \$50 ; his note @ 10 days with interest \$50 ; A. Robert's note in his favor \$50,



date 1 May 8, at 7 days : my draft @ 10 days, favor P. Hamel \$50 ; balance on %. (9) Paid my note favor H. Côté, in cash, due July 21, less Disct., \$200. (10) Paid Sundry expenses \$30 (10) Sold J. Deblois House and Lot, Church St. \$700 ; rec'd in payment Cash \$100 ; his check on Molsons Bank \$100 ; his note at 15 days with interest \$200 ; my note favor H. Guay \$100 ; balance on % \$200.

Mdse Inventory	\$1600
Real Estate	" \$ 500
Expense	" \$ 50
Net gain :	\$2158.

## SET II.

## (A CONTINUATION OF PRECEDING BUSINESS.)

12. Shipped W. Tousignant, St. Norbert, to be sold on my account and risk, 100 bbls. Flour @ \$6. Paid freight per check on College Bank \$40. (13) E. Lamontagne has failed in business, and can pay but 25 cts on the dollar ; the balance is considered as lost (14) Drew a draft at 30 days on J. Roux and remitted it to P. Hamel \$50 (15) Rec'd per G. T. R., and consigned to me by M. Baril, Quebec, to be sold on his account and risk 300 bbls. Apples. Paid freight in cash \$40 (16) Drew a draft at 70 days on A. Rousseau, in favor of myself for \$200, and had it discounted at the College Bank, proceeds placed to my credit. (17) Sold J. Roux Mdse \$50 ; 200 bbls @ \$4.00 (M. Baril's consigt) ; rec'd in payment a note for \$400 in his favor with interest ; the note is made by H. Pepin, it is dated April 12, and is due June 30 ; his check on Molsons Bank \$100 ; cash for the balance (18) Rec'd Cash of A. Robert for his note of May 8, favor E. Lamontagne, and transferred to me on the 9th inst. (19) Rec'd an Account Sales from W. Tousignant of the goods shipped him on the 12th inst. My net proceeds, remitted per check on Molsons Bank \$700. (20) Rec'd per C. P. R. and consigned to me by M. Rene, Lake Megantic, to be sold on his account and risk 400 bbls Flour. Paid freight per check on College Bank \$50. (21) Sold A. Papineau on % @ 30 days 100 bbls. @ \$4.55. (M. Baril's consigt). (21) Sold A. Roy, Mdse for \$500 ; rec'd in payment a note made by J. Lafontaine, in his favor, dated April 16, @ 3 mo. \$400, less discount for the unexpired time ; balance on %. (22) Rec'd Cash of E. Lamontagne for his note of May 9, with interest. (22) Closed M. Baril's consigt. and rendered him an Account Sales. My charges for Storage 5 cts per bbl ; Commission 10 % . Guaranty 10 % ; M. Baril's net proceeds, due by equation . . . (23) Shipped to H. Hebert, Montreal, to be sold on my account and risk 300 bbls. Flour @ \$7. Paid freight in Cash \$40. (23) Sold A. Jones for cash, 200 bbls. @ \$7. (Rene's consigt). (23) Took to my account from Rene's consigt 200 bbls @ \$7. (23) Closed M. Rene's Consigt and rendered him an Account Sales. My charges, Commission 10 % . Storage 5 cts per bbl, Rene's net proceeds remitted in cash. (24) Drew a draft at 70 days on A. Perreault for \$220, and had it discounted at the College Bank, rec'd the proceeds in Cash. (25) Rec'd an Account Sales from H. Hebert, Montreal, of the goods shipped him on the 23d inst. My net proceeds due May 29, are \$2000. (27) Drew a sight draft on S. de Billy and remitted it to A. Durd \$100. (28) Rec'd Cash of J. Deblois for his note of the 10th inst. with interest. (29) Rec'd of H. Hebert his check on Jacques Cartier

Bank in full. (30). A house valued \$300 on my Lot Church St. has been completely destroyed by fire. Accepted payable at College Bank M. Baril's draft on me at 30 days sight \$1025.

Merchandise Inventory \$500.

Real Estate " \$200. Net Gain: \$650.66.

### SET III.

June 1. Commenced business with \$2000 in cash.—2. Received of A. Felton, Buffalo, to be sold on his % and risk 200 bbls. Pork, @ \$18.50. Paid cartage, \$18.—4. Shipped O. Healy, Buffalo, to be sold on my % and risk \$500 bbls. Russet apples @ \$2, bought of John Brown, Oswego, on %. Paid cartage, \$25.—5. Sold N. Garner, on his note at 45 days, 150 bbls. Pork @ \$20 (Felton's consignment).—9. Sold John Brown, Oswego, at 30 days, 50 bbls. Pork @ \$19.50 (Felton's Con).—12. Closed Felton's Consignment and rendered him an Account Sales, Storage, 1c, per bbl. per day; Commission, 2%; Guaranty,  $1\frac{1}{2}\%$ . A. Felton's net proceeds \$ — due by equation ——. 20. Received of O. Healy an Account Sales of the Apples consigned to him on the 4th. Our net proceeds are \$1140, due by equation, July 25.—25. O. Healy has accepted my sight draft favor myself for the above proceeds, less discount for unexpired time.—28. Discounted N. Garner's note of the 5th; received cash.—30. Paid sundry expenses, \$120.

Net gain, \$79.18.

### AUGUST AND SEPTEMBER.

Aug. 1. Student and Geo. Duhamel begin business this day with the following Resources and Liabilities: Student invests Cash \$4000. Merchandise \$2600; J. Sirois owes him on % \$800. Student owes a note favor G. Béland, due Nov. 1st and endorsed by C. Brodeur \$1000. G. Duhamel invests Cash \$2000; Merchandise \$4000; a note against O. Pieher, dated July 3 @ 3 mos. \$800. G. Duhamel owes A. Lajoie \$400. 3. Rec'd from J. B. Faubert, Chicago, to be sold on his % and risk. 300 bbls. Beef, 200 bbls. Pork. Paid freight in Cash \$125. 5. Sold D. Cardin, for Cash, 200 bbls. Beef (Faubert's Cons't) @ \$16. 8. Rec'd from H. Benoit, Winnipeg, to be sold on his and our joint %, each  $\frac{1}{2}$ , 2000 bush. Wheat, invoiced @ 70c; 2000 bush. Oats @ 45c. Paid freight on same in cash \$90. 10.—Sold A. Morin for cash, 100 bbls. Beef (Faubert's Cons't) @ \$15; 100 bbls. Pork (Faubert's Cons't) @ \$14. 12. Prepaid Student's note favor G. Béland, less disc't for unexpired time (360 days per year: 6%). Gave cash for proceeds. 16. Sold D. Cardin, @ 60 days, 100 bbls. Pork (Faubert's Cons't) @ \$14.50. 16. Closed J. B. Faubert's Cons't, and rendered him an Account Sales; our charges for storage \$12, commission @ 4% on sales. 20. Rec'd from E. Roy, Quebec, to be sold on his and our joint % and risk, each  $\frac{1}{2}$ ; 500 bbls. Flour @ \$6; 300 bbls. Sugar @ \$12. Paid freight in cash \$120. 23. Sold H. Martin, for cash, 1500 bush. Wheat (Merch Co A) @ 90c; 800 bush Oats (Merch Co A) @ 60c. 25. Shipped per B. and Maine R. R. to A. Houde, Boston, to be sold on our joint % and risk, each  $\frac{1}{2}$ , 1200

bush. potatoes, bought from D. Hebert, @ 40c, on our note @ 60 days. Paid freight in Cash \$50. 26. Sold D. Masson for cash, 500 bush. Wheat (Mdse. Co. A.) @ 85c; 1200 bush. Oats (same Co.) @ 50c. 27. Closed Mdse. Co. A. and rendered H. Benoit an Acc't Sales. Our charges for Storage \$10; commission @ 6% on sales; H. Benoit's net gain...our net gain... 28. Sold A. Morin for cash, 200 bbls. Flour (Mdse Co. B.) @ \$7; 150 bbls. Sugar @ \$12.50 (same Co.) 29. Sold J. Roger on % @ 60 days, 300 bbls. Flour. (Mdse. Co. B.) @ \$7; 150 bbls. Sugar (Mdse Co B.) @ \$13 30. Closed Mdse. Co. B. and rendered J. Roy an Acc't Sales. Our charges for Storage \$15; commission @ 3% on sales; guaranty @ 3% on credit sales. 30. Rec'd an Acc't Sales from A. Houde, Boston, of the goods shipped him to be sold on our joint %. He remitted us cash \$550 as proceeds. 31. Sold from our store during the month cash, for \$2750. 31. Our sundry expenses during the month amounted to \$450.

Mdse Inventory \$4000.

Student's Net capital \$6825.89.

Geo. Duhamel's " \$6825.89.

Total net Gain \$851.78.

#### OCTOBER AND NOVEMBER.

1. Student enters into partnership with A. B. Rivers, to engage in a wholesale Boot & Shoe Business, at 24 Market Square, (your place), under the name of Student & Rivers. The partners invest equal amounts and are to share equally the gains and losses. Student invests \$8000 deposited in College Bank; a note against F. Wheeler made Sept. 26 for 40 days, \$600; John Wilson owes him \$425; A. Richard owes him \$500. Student owes a note in favor of J. Bently, due Nov. 6, \$225.

A. B. Rivers invests \$3300, of which \$2300 are in the College Bank; he also invests a stock of Mdse as follows: 220 prs. Ladies' Dongolas @ \$1.50; 420 prs. Misses' Dongolas @ .80; 200 prs. Children's Dongolas @ .80; 300 prs. Men's Calf Welt @ \$1.60; 600 prs. Men's McKay @ \$1.10; 500 prs. Children's Kid Button @ .75; 200 prs. Men's Kangaroo @ \$1.70; 400 prs. Lumbermen's Overs @ \$1.40; 234 prs. Men's Storm King Boots @ \$2.50; 90 prs. Men's Summer Boots @ \$2; 200 prs. Men's Patent Calf @ \$3.50; 200 prs. Men's Patent Leather @ \$3.50; 120 prs. Men's calf Button @ \$3; 250 prs. Children's Heavy Overs @ .30; 159 prs. Ladies' Overs @ \$1.

1. Have engaged the following persons at a weekly salary given: Clerks, Mr. G. Hardy, \$10, and Mr. Ch. Bennett, \$13. Stenographer, Miss E. Horton, \$9.

2. Deposited in College Bank all our Cash on hand except \$60 in currency. Paid rent of store for one month in advance, \$50, by Check to M. Sydney.

Paid Wm. Smith cash \$4 for cleaning store, \$7 for papering.

3. Bo't from Tourigny & Co, Quebec, 100 pairs Ladies' Dongolas @ \$1.50; 120 prs. Men's Kangaroo @ \$1.70; 250 prs Ladies' Tan @ \$1.25. Accepted their Draft @ 10 days favor D. Rolland (make Bill of Invoice and draft).—Bo't postage stamps, \$6.30.

—4. Sold Wm. West, Three Rivers, on account @ 20 days, 1 Case Ladies' Dongolas, 40 prs. @ \$2; 3 Cases Misses' Dongolas, 120 prs. @ \$1.25; 1 Case Men's Calf Welt 40 prs. @ \$1.80. Allowance at 2% Discount if paid within 10 days. (Make Bill of Goods).

4. Sold C. Paekard, on his note @ 30 days, 80 pairs Men's Heavy Storm King Boots @ \$2.75; 30 pairs Lumbermen's Overs @ \$1.60; 40 pairs Summer Boots @ \$2.45.—5.

A. Richard pays us half his debt by indorsing in our favor a note made to-day @ 30

days in his favor by N. Plante (Make note, etc.) 8. Paid Clerks and Stenographer, Cash.—10. B'ot from Lalime & Co, St-Hyacinthe, 150 prs. Patent Calf @ \$3.50 ; 200 prs. Men's McKay @ \$1.10 ; 120 Infants' Dongolas @ .50. Gave in payment note @ 25 days for \$450 ; an order on J. Wilson for \$125 ; Check for Balance. 13. Paid by check draft of the 3rd. inst. favor D. Rolland. 13. Received from Wm. West payment of Mdse sold on the 4th. inst. less 2% discount. 15. Sold A. Richard for Cash, 16 pairs Men's McKay @ \$1.50 ; 30 pairs Lumbermen's Overs @ \$1.60. 15. Paid Clerks' salary by Cash, and Stenographer's, by check. 20. C. Packard sends check to pay his note of the 4th inst. less discount 6% for unexpired time. 21. Sold J. C. Boucher, St Thomas, 50 pairs Men's Calf Welt @ \$1.80 ; 40 pairs Sumner Boots @ \$2.45. Rec'd in payment his note @ 10 days for \$50 ; balance on account. 21. Given 80 pairs Infants' Dongolas to the St. Vincent Orphanage. 21. Sold J. C. Richards for Cash 1 Case Men's Patent Calf, 30 prs. @ \$4.25 ; 2 Cases Children's Kid Button, 60 prs. @ \$1.20. 22. Deposited in Bank all cash on hand except \$120.14 in currency. 23. Paid salaries of employees. 25. Paid by Check, note favor J. Bently due Nov. 6, less discount. 26. Sold J. A. Coutu, Sherbrooke, for Cash, 100 pairs Children's Kid Button @ \$1.20 ; 150 pair Men's McKay @ \$1.60. 27. Sold W. J. Murphy on his note @ 60 days, 350 prs. Men's McKay @ \$1.50 ; 150 pairs Children's Dongolas @ \$1.20 ; 200 pairs Heavy Overs @ 50c ; 200 pairs Ladies' Tan @ \$1.75 ; 150 pairs Men's Patent Leather @ \$4 ; 75 pairs Ladies' Overs @ \$1.20. 28. A Richard pays in full of account. 29. Paid our note, favor of Lalime & Co., less discount for unexpired time. 30. Paid salaries by checks. 30. Deposited in Bank Cash on hand, except \$88.14.

Mdse Inv. \$4864.90.

(The student should be required to make the inventory).

Student's Net Gain ( $\frac{1}{2}$  of whole) : \$62.32.

## CORRECTIONS :

Page	41, net gain = 504.31
"	54, " " = 540.38
"	55, Inventory of Real Estate, \$3600 (omitted),
"	109, in Loss & Gain Acct., Commission & Gua. should be 12 cents more, and the partners' gain, as well as their loss, a few lines lower, should be 6 cents more.

	Double Entry . . . .
Set I.—Day Book, Journal, Closing the Ledger Practice Set. . . . .	
Set II.—Notes and Checks Practice Sets. . . . .	
Set III.—Negotiable Paper. Practice Sets. . . . .	
Set IV.—Negotiable Paper. Summary of the R Balance Sheet. . . . . Bill Book. . . . . Practice Sets. . . . .	
Set V.—Partnership.—Com Equation of Paym Shipments and Co Account Sales. . . . . Commission Sales Letter Book . . . . . Practice Sets. . . . .	
Set VI.—Merchandise Com Journal Day Book Cash Book. . . . . Bank-Book. . . . . Check Book. . . . .	
Set VII.—Journal, Sales B	
Set VIII.—Special Column	
PART III.—Single Entry . . . . .	
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Set II.—Sales Book, Invoic sets for Reviews, Exercises . . . . .	

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