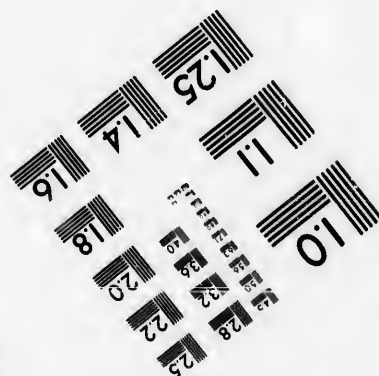
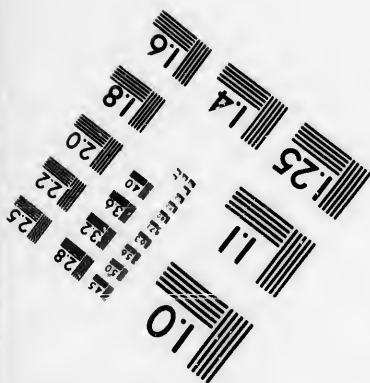
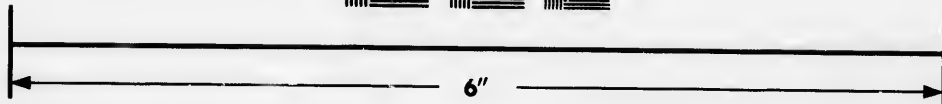
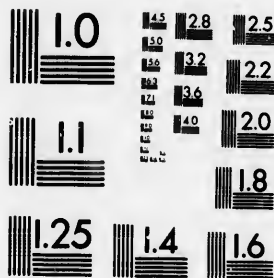


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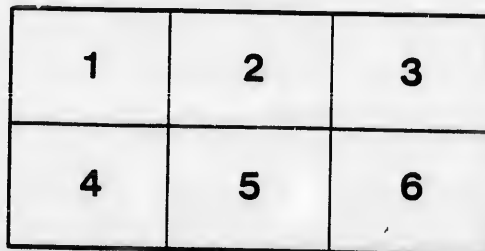
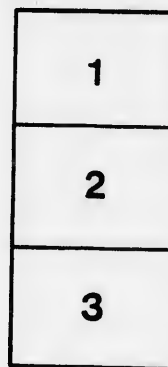
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From Rev. N. MCKAY.

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N. MCKAY.

From Hon. T. R. JONES.

COMMERCIAL COLLEGE, conducted by A. H. EATON, Esq., I consider unsurpassed for giving youth a thorough commercial education. No young man, who intends to make commercial pursuits his profession, should neglect a course at that Institution. The training is such that a very little actual practice in a merchant's office puts a

RECOMMENDATIONS.

young man at the head of a system that would take years of actual practice without the previous discipline to accomplish.

THOS. R. JONES.

From EVERITT & BUTLER, Esqs., King Street.

A. H. EATON, Esq.,

ST JOHN, N.B., August 22, 1870.

DEAR SIR,—We have much pleasure in testifying to the order of training for commercial pursuits obtained by the young men educated at your College. We have now in our employment one of your graduates, who, notwithstanding the fact that he never had any previous experience, has proved himself a most reliable, accurate, and efficient accountant.

In short, we have no hesitation in saying that your course of training is eminently adapted to make thoroughly efficient business men.

EVERITT & BUTLER.

From T. W. DANIEL, Esq.

ST JOHN, August 22, 1870.

I HAVE personally known Mr A. H. EATON (Principal of the Commercial College in this city) for several years past as a successful commercial teacher, and have much pleasure in bearing testimony to the great usefulness of his Institution in the way of fitting young men for any kind of commercial occupation.

T. W. DANIEL.

From GUILFORD C. MILLER, Boston.

(Attended during Winter of 1869-70.)

I HAVE always had much pleasure in recommending young men of my acquaintance to attend your excellent Institution, although since I left Halifax and the College I have had little opportunity of doing so in Nova Scotia, in consequence of my removal to Boston. I consider it the best Educational Institution in the country for business men, or those desiring to be such, and shall ever rejoice at your success.

Allow me to thank you for your kindness to me while attending your Institution. Believe me, it will ever be remembered with gratitude and pleasure. . . .

I know not where I could have acquired so much useful knowledge in so short a time.

GUILFORD C. MILLER.

RECOMMENDATIONS.

From ERASTUS S. MILLER, formerly of Mt. Hanley, Annapolis Co., N.S., now Book-keeper at 741 Washington St., Boston.

(Attended during the Winter of 1869-70.)

I HAVE much pleasure in being able to speak very highly of your Commercial College. Since I left that Institution, I have had some experience in Book-keeping, and find that the knowledge acquired while with you has been of great benefit to me.

The practice of your actual business department has almost completely corrected the habit which I, in common with so many others, had fallen into, of making mistakes in my calculations; while the general knowledge of accounts which I there obtained, has begotten a confidence in my work which I never knew before.

I feel that I have been already repaid for my time and expense in going to Halifax to attend your College. I believe it was the best investment I could have made.

ERASTUS S. MILLER.

From HARRY B. SHAEN, at S. A. White & Co.'s, 75 Upper Water Street, Halifax.

(Attended during the Summer of 1869.)

HAVING for a few months attended the Commercial College of this city, I cannot refrain from expressing to you my high opinion of its merits.

All the forms of business are so fully explained, all its branches are so successfully explored, and the theory of mercantile transactions is so happily blended with practice, that one cannot attend, even for a short space of time, without obtaining great benefit, if a reasonable amount of time and attention be given to the studies which you so ably direct. I feel myself that I have obtained a groundwork for the future prosecution of business, and will ever consider myself fortunate in having been able to attend the Commercial College.

HARRY B. SHAEN.

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EATON & FRAZEE'S
BOOK-KEEPING.

AN ELEMENTARY TREATISE FOR
THE USE OF SCHOOLS.

BY

A. H. EATON,

PRINCIPAL OF THE COMMERCIAL COLLEGE, ST JOHN, N.B.

AND

J. C. P. FRAZEE,

PRINCIPAL OF THE COMMERCIAL COLLEGE, HALIFAX, N.S.

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1876.

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THE UNIVERSITY OF CHICAGO

PREFACE.

THE authors of this little work know that the Teachers of Nova Scotia and New Brunswick, and they believe they might extend the remark much farther, have long felt the want of a cheap work on Book-keeping, suitable for use as a text-book in the Public Schools. Such a work, they conceive, should contain a brief and intelligible elucidation of the principles of the science, examples of the principal books used, in order to show the practical application of those principles, and as much practice as can be afforded by a book small enough to bring the price within the reach of all. In the preparation of this work they have been guided by these views.

The frequent applications which the authors have had for such a book induce them to believe that its appearance will be hailed with satisfaction by the teaching profession generally; and they entertain a hope that its contents will be found to commend themselves to the favour of all in need of an elementary treatise on this important subject.

The course of Book-keeping here given is offered only as an initiatory or preparatory course. A complete course, such as would fit the learner to take charge of the books of an extensive mercantile establishment, could not be given in so small a com-

Entered according to Act of Parliament of Canada, in the Year of our Lord One Thousand Eight Hundred and Seventy-one, by A. H. EATON, in the Office of the Minister of Agriculture.

PREFACE.

pass, nor could it be taught, with good results, in a school not specially devoted to that object.

The object aimed at in this work has been, while neglecting to explain no important principle introduced in the course laid down, to afford as much practice as the limits of the work would permit.

Almost all the illustrations consist of continuous business transactions given in proper form in the Day Book, and correctly adjusted in the other books, thus affording the amplest illustrations, and, at the same time, material for extensive practice.

Questions have been appended to most of the explanations, to assist the teacher in testing the knowledge of his classes.

No attempt has been made to explain the manner of journalising or posting from the auxiliary books. The pupil must first receive the preparatory instructions afforded by this book, as it is, before he can understand that, and many other things which could not be included in these pages without greatly extending the limits within which the authors have felt it necessary to confine themselves.

With these explanations, and a belief that the want, which has so long been felt, of a suitable text-book on Book-keeping, is hereby supplied, the work is offered to the public.

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ORDER OF STUDY AND EXERCISES.

THE following plan of study, to be pursued by the learner, is recommended to the attention of teachers who use this work :—

1. Learn the Abbreviations and Explanations of Mercantile Terms.
2. Study the Introduction till able to answer all the questions annexed thereto.
3. Let those who intend only to learn Single Entry next copy the Single Entry Day Book.
4. Study the remarks on the Cash Book till able to answer all the questions correctly.
5. Copy the Cash Book as far as July 31st, and study the entries, till able readily to distinguish those which have corresponding entries in the Day Book from those which have not.
6. Examine Bill Book, comparing corresponding entries in Day Book.
7. Study the remarks on the Ledger, and trace the entries from the Day Book till the posting is well understood.
8. Post his written copy of the Day Book into his blank Ledger with no aid from the printed book.
9. Prove the posting by means of the Trial Balance as directed.
10. Complete the Balance Sheet, exhibiting assets and liabilities.
11. Close the Ledger as directed.
12. If the work so far has not been satisfactorily performed, go over it again, &c.

If only Single Entry is required, the Double Entry Day Book may be used as a basis for additional exercises—the pupil writing the transactions recorded in that book, in Single Entry form, then posting, as above directed.

If the pupil is to learn Double Entry as well as Single, it will

ORDER OF STUDY AND EXERCISES.

be better for him to learn Double Entry first; let him, therefore, after studying the introductory remarks, proceed at once to the study of Double Entry as follows:—

1. Study the remarks on Double Entry till they are thoroughly understood.
2. Copy the Day Book.
3. Study explanations of Cash and Bill Books.
4. Write up Cash and Bill Book from his own copy of the Day Book, beginning Aug. 1st.
5. Study the remarks on Journal, and the rules for journalising, and examine Journal Entries.
6. Journalise Day Book, first on loose paper, without assistance from the printed book, and when correctly done copy into the Journal.
7. Study the remarks on Double Entry Posting, and trace the entries from the Journal to the Ledger till the manner of posting is well understood.
8. Post the Journal as directed.
9. Study the remarks on the Trial Balance.
10. Get out Trial Balance.
11. Make out Balance Sheet.
12. Study the remarks on Closing the Ledger.
13. Close the Ledger according to directions given.
14. Study General Questions.
15. Copy appended Day Book for additional exercise, journalise and post, &c., in the same manner.

NOTE.—Properly ruled blank books, prepared expressly to be used with this text-book, may be had of the bookseller from whom this book was bought.

BOOK-KEEPING.

ABBREVIATIONS.

The following abbreviations are frequently used:—

<p><i>a/c</i> or <i>acct.</i> . . . Account.</p> <p><i>Acc.</i> Accepted.</p> <p><i>£</i> And.</p> <p><i>&c.</i> And so forth.</p> <p><i>@</i> At.</p> <p><i>Amt.</i> Amount.</p> <p><i>Bal.</i> Balance.</p> <p><i>B. B.</i> Bill Book.</p> <p><i>Bbl.</i> Barrel.</p> <p><i>B/p.</i> Bill of Parcels.</p> <p><i>¢</i> Cent.</p> <p><i>C. B.</i> Cash Book.</p> <p><i>Co.</i> Company.</p> <p><i>Const.</i> Consignment.</p> <p><i>Cr.</i> Creditor.</p> <p><i>Cwt.</i> Hundredweight.</p> <p><i>Dft.</i> Draft.</p> <p><i>Disc't.</i> Discount.</p> <p><i>\$</i> Dollar or Dollars.</p> <p><i>Ditto, Do.</i> The same.</p> <p>” ” The same.</p> <p><i>Dr.</i> Debtor.</p> <p><i>Doz.</i> Dozen.</p> <p><i>E. & O. E.</i> Errors and Omissions Excepted.</p> <p><i>Exch.</i> Exchange.</p> <p><i>f.</i> Franc.</p> <p><i>Fr.</i> Freight.</p>	<p><i>Gal.</i> Gallon.</p> <p><i>Hhd.</i> Hogshead.</p> <p><i>I. B.</i> Invoice Book.</p> <p><i>Int.</i> Interest.</p> <p><i>Inst.</i> Instant, the present month.</p> <p><i>£ s. d.</i> Pounds, shillings, pence.</p> <p><i>lbs.</i> Pounds weight.</p> <p><i>Mdsc.</i> Merchandise.</p> <p><i>Mo. Mos.</i> Month, Months.</p> <p><i>N. A.</i> New Account.</p> <p><i>No.</i> Number.</p> <p><i>N. P.</i> Net proceeds.</p> <p><i>%</i> Per cent.</p> <p><i>O. A.</i> Old Account.</p> <p><i>Pcs.</i> Pieces.</p> <p><i>Pd.</i> Paid.</p> <p><i>Prem.</i> Premium.</p> <p><i>Prox.</i> Proximo, the next month.</p> <p><i>Qrs.</i> Quarters of a Cwt.</p> <p><i>Rec'd.</i> Received.</p> <p><i>S. B.</i> Sales Book.</p> <p><i>Sgt.</i> Sight.</p> <p><i>Stg.</i> Sterling.</p> <p><i>Ult.</i> Ultimo, last month.</p> <p><i>Yds.</i> Yards.</p>
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MERCANTILE TERMS.

EXPLANATIONS OF MERCANTILE TERMS.

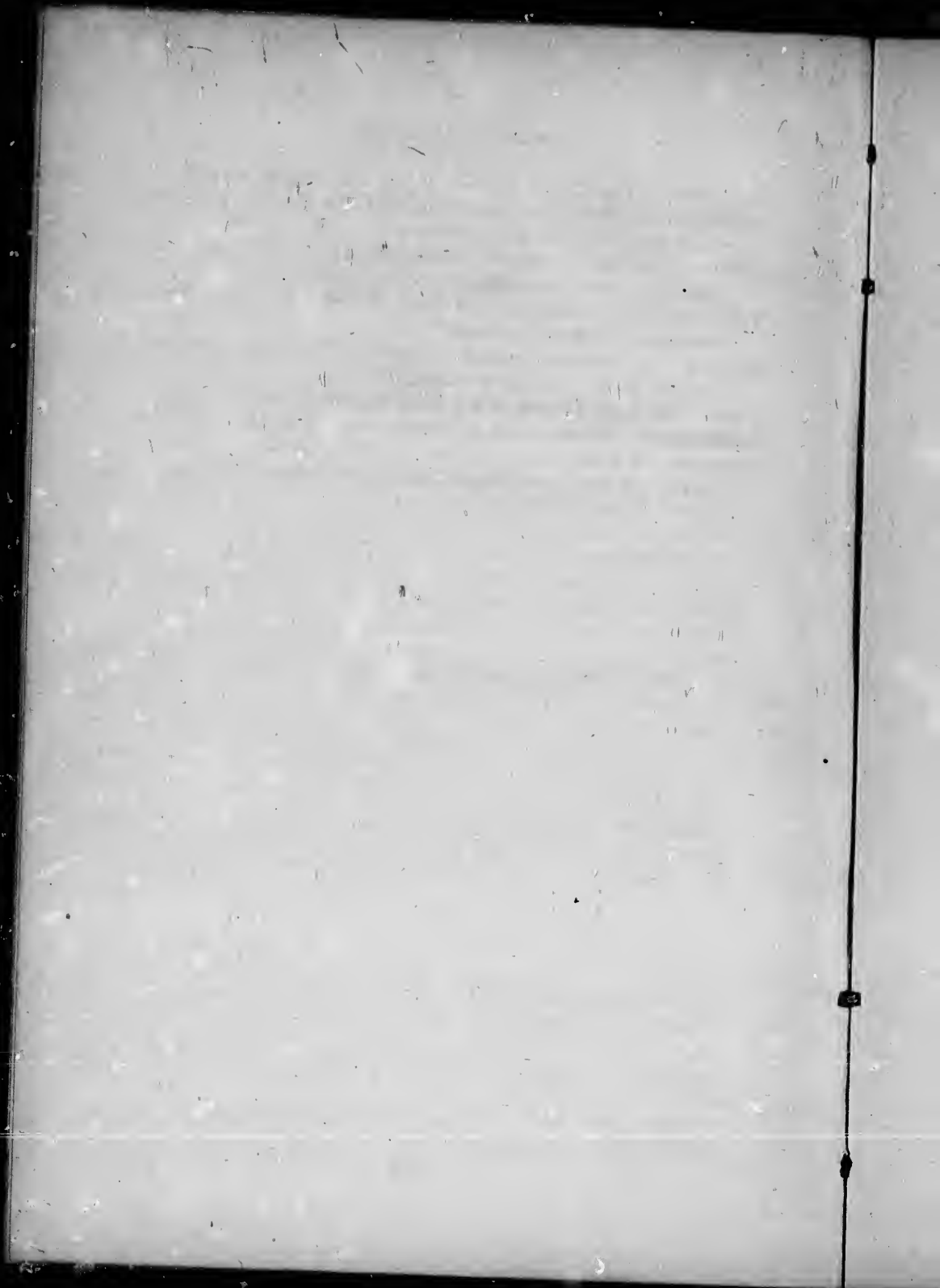
- ABATEMENT.** A discount or allowance for prompt payment or other reason.
- ACCOUNT CURRENT.** A statement of the particulars of an account.
- ACCOUNT SALES.** A statement made by a consignee to his consignor, showing the names of the parties to whom the goods were sold, the price, time, charges, and net proceeds.
- ADVICE.** Information or intelligence. *To advise* is to inform or give notice to.
- ASSETS.** The property of all kinds belonging to a person, firm, or corporation, including the debts due them.
- ASSIGNEE.** A person appointed to manage the affairs of a bankrupt.
- BALANCE.** The difference between the Dr. and Cr. sides of an account. To balance an account is to make the two sides equal by writing the difference on the smaller, and adding both up.
- BILL OF ENTRY.** A statement of the particulars of goods entered at the Custom House.
- BILL OF EXCHANGE.** A written order for the payment of money drawn in one place and payable in another.
- BILL OF LADING.** A receipt for the goods intrusted to the care of the master of a ship, given by him to the shipper, by which he agrees to deliver the goods at a certain place in good order on the payment of a certain sum as freight. There are generally three copies made, one of which is kept by the master, one by the shipper, and the other sent to the consignee, by which he acquires the right to receive the goods. Bills of Lading are transferable by indorsement—the right to receive the goods being transferred with them.
- BILL OF SALE.** A contract under seal, by which a person conveys to another his right to goods and chattels.

BOOK-KEEPING.

- BILLS PAYABLE.** Written promises to pay money given by an individual or firm.
- BILLS RECEIVABLE.** Written promises to pay money held by an individual or firm against others.
- BONDED GOODS.** Imported goods deposited in a Government warehouse until duty is paid—a bond being given by the importer for the duty.
- BOTTOMRY BOND.** A mortgage on a ship given in security for money borrowed by the owner or master to enable him to prosecute a voyage. If the ship be lost, the lender loses his money.
- BULLION.** Uncoined gold or silver in mass.
- CLEARANCE.** A document from a Custom House officer, or other qualified person, permitting a ship to depart on her voyage.
- COMMISSION.** A percentage allowed to agents or factors for doing business for others.
- COMPOSITION.** An arrangement between an insolvent debtor and his creditors, by which the latter accept of a *part of the debts* for the whole.
- CONSIGNEE.** A person to whom goods are consigned.
- CONSIGNMENTS.** Goods received by one person or house to be sold for the account of another—the seller being allowed a commission, so much per cent. for his trouble.
- CONSIGNOR.** The shipper, or he who sends a consignment.
- DIVIDEND.** A sum to be divided. It may be the gain of a joint stock company to be divided among the stockholders, or the property of an insolvent debtor to be divided among the creditors. It is usually expressed by so much per cent.
- DRAFT.** An order for money on a banker or other person, to be paid on demand or at a specified time, to another person or his order.
- INDORSER.** One who writes his name on the back of a promissory note, or bill of exchange, and thus becomes responsible for its payment.
- INDORSEMENTS** are either general or special. A general indorsement, or "indorsement in blank," is merely the name of the indorser without any other words. A special indorsement is a direction signed by the indorser to pay to the order of some particular person.

MERCANTILE TERMS.

- INSOLVENT.** Bankrupt; unable to pay one's debts in full.
- INTEREST.** Commonly a premium paid for the use of money; more properly, the use of money.
- INVOICE.** A bill of parcels, accompanying goods imported, or sent with goods exported.
- NET PROCEEDS.** What is left from the sale of goods after all charges have been deducted.
- RECEIPT.** A written acknowledgment of having received a sum of money, or other value.
- REMIT.** To send money to a person at a distance.
- REMITTANCE.** Money sent to a person at a distance.
- STORAGE.** A charge made for warehousing goods.
- VOUCHER.** A receipt or acquittance as evidence of payment.



INTRODUCTION.

BOOK-KEEPING is the science of accounts, and consists of a systematic arrangement and adjustment of the records of business transactions.

Single Entry Book-keeping has for its object principally the keeping of correct and systematic running accounts with the individuals with whom we deal on credit.

A running account is a concise statement or plan of a person's business transactions with us, supposing we are keeping the account, and shows, on its debit side, the particulars of the property or property's worth which that person has got from us, and, on its credit side, the particulars of what we have got from him, with the dates of all the transactions.

Every business man who keeps a regular set of books, has one in which he enters an account for each person with whom he deals on credit. This book is called the

LEDGER,

and as it is the principal book used, we must try to explain it more fully. We do this here, in order that the learner may the more readily understand the use of the other books into which the entries are generally made with a view to their final adjustment in the Ledger.

Let us suppose that on January 2d, 1870, John Smith bought of you merchandise, that is, some kind of goods, worth altogether \$44.26; that on February 4th he paid you cash \$20, and gave you merchandise worth \$13.50; that on March 15th he gave you another lot of merchandise worth \$11.20; and that on April 20th he got from you merchandise worth \$9.40.

Now, if you and Jno. Smith settle on or after April 20th, you find how your account with him stands, thus:—

BOOK-KEEPING.

John Smith got from you, Jan. 2d, 1869, mdse. worth	.	.	.	\$44 26
" " Apr. 20, " "	.	.	.	9 40
" " altogether	.	.	.	\$53 66
You got from John Smith, Feb. 4, 1869, cash	.	.	.	\$20 00
" " mdse. worth	.	.	.	13 50
" " Mar. 15, " "	.	.	.	11 20
" " altogether (subtract)	.	.	.	\$44 70
Balance John Smith owes you	.	.	.	\$8 96

John Smith got from you more than you got from him, and you find how much more by subtracting the amount of what you got from him from the amount of what he got from you. You find the remainder to be \$8.96, which John Smith must pay you to make you square.

Now these transactions, and all others of a similar kind, are so arranged in the Ledger; that it is very easy, after they are entered there, to find, at any time, how your account with any person stands—whether he owes you, or you him, and how much. Let us put these entries into an account as they would appear in the Ledger, and see how they look.

The following is the form in which the Ledger is generally ruled:—

DR.		JOHN SMITH.				CR.			
1870				\$	c.	1870		\$	c.
Jan'y	2	To Mdse. . .	1	44	26	Feb'y	4	By Sundries .	1
April	20	" do. . .	1	9	40	Mar.	15	" Mdse. . .	1
						April	30	" Balance .	
				53	66			8	96
								53	66

The page is divided into two equal parts by a double line, as you see here, over which you write John Smith, to show whose account it is, and, to the left, Dr., which means debtor, and, to the right, Cr., which means creditor. Now since John Smith bought goods from you, and did not pay you for them at the time, he got into your debt, or became your debtor; you therefore put the values of those things which he got from you on the left hand, or debit side, as it is called. And when you got things from him, you got into his debt, or he got out of yours,

INTRODUCTION.

which is the same thing, for the value of them, and he became your creditor, you therefore put the values of those things which you got from him on the right hand or credit side.

The date of each transaction should be correctly and plainly written in the left hand columns of either side, the number of the year to be placed at the top, and inserted again whenever there is a change. In the broad space in the middle of each side you write the description of articles received or parted with; in the next column to the right, the page of the Day Book from which the entry is taken; and, lastly, the amounts in dollars and cents.

In a very small business, and where the articles bought and sold are not of many different kinds, such entries as these might be all that would be required; and a person might keep his accounts pretty well with no other book than the Ledger. But where the articles dealt in are of many different kinds, or where a person deals with many different individuals, it becomes necessary to use what is usually called a Day Book, in which the business done is first written down, and from which it is afterwards transferred to the Ledger, in the form of the account exhibited above. The business transactions of which we have been talking would be written in the Day Book in the following form, supposing the articles to be such as mentioned below:—

HALIFAX, January 2d, 1870.

		Dr.	Cr.		
		\$	c.	\$	c.
JOHN SMITH,					
To 20 yds. Factory Cotton	@ 15c.,	\$3.00			
" 12 " Bleached "	@ 18c.,	2.16			
" 10 " Canadian Tweed	@ 65c.,	6.50			
" 1 pair Boots		3.50			
" 2 lbs. Tea	@ 50c.,	1.00			
" 25 " Sugar	@ 10c.,	2.50			
" 30 " Nails	@ 5c.,	1.50			
" 1 Narrow Axe		1.10			
" 1 Cooking Stove		23.00	44	26	

John Smith bought these articles from you, and did not pay you for them at the time; he therefore got into your debt. You, therefore, write Dr. to the right of his name next the money columns. John Smith's name is written to the left, at the beginning of the line; and you put down carefully, after the

BOOK-KEEPING.

word "To," all the different articles, with the price per yard, pound, &c., and the whole price carried out correctly next the money columns. When all are down, the whole must be added up, and the total carried into the money column headed Dr.

It was necessary that all the articles that John Smith got from you should be put down somewhere, so that, when you came to settle with him, you could tell him, if he wished you to, or, if he disputed the correctness of your bill, exactly the articles he got from you, and the price of each. If you were to put them all down in your Ledger, they would take up a great deal of room there, and, besides, encumber your Ledger with a great many small sums, so that in a short time you would have long columns of figures to add up, in which you would be very likely to make some mistakes. To avoid this, we write down all the different articles in the Day Book, and carry the whole sum afterwards into the Ledger. Look back to the Ledger example on page 20, and see again how the entry is made there.

The next entry is this:—

		February 4th, 1870.		DR.		CR.	
JOHN SMITH,			CR.	\$	c.	\$	c.
By Cash			\$20.00				
" 30 bush. Oats	: : @ 45c.,		13.50			33	50

These articles you got from John Smith, and owe him for them. He is, therefore, your creditor, and you write Cr. to the right of his name, as you wrote Dr. before, and you carry the whole sum out in the column headed Cr. See the Ledger entry, page 20. Again,

		March 15.		DR.		CR.	
1	JOHN SMITH,		CR.	\$	c.	\$	c.
	By 56 lbs. Butter, @ 20c.,					11	20

Here again you bought from John Smith, and you make him Cr., as before. As there is only one item, viz., 56 lbs. Butter, you carry the whole price, after stating the price per pound, at

INTRODUCTION.

once into the proper money column. See the Ledger entry page 20. Again,

		April 20.		DR.		CR.	
1	JOHN SMITH,		Dr.	\$	c.	\$	c.
	To 1 Felt Hat		\$1.90				
	„ 1 bbl. Flour		7.50	9	40		

John Smith bought these articles from you, and is therefore Dr., as in the first entry. Observe, John Smith may have bought other goods from you at other times, and paid for them at the time he bought them, and no entry need be made in your Day Book, or Ledger, at all. When a person buys an article and pays for it at the time, or sells anything and is paid at the time, no person gets into debt, and therefore no entry need be made; unless he wish particularly to remember the transaction, when he may both debit and credit the party for the same amount.

The word "Sundries," in Single Entry Book-keeping, generally means several things or articles, and is used in the Ledger for the sake of brevity. Where the articles are all of the same kind, as several items of merchandise, it is better to use the word that expresses the description of articles meant. But where the articles are of different classes, as in the entry under February 4th, we use the word "Sundries" in the Ledger.

The figure 1 to the left of each of the above Day Book entries, refers to the page of the Ledger on which John Smith's acct. will be found. These figures are made at the time of making the entries into the Ledger, which is called posting.

By referring to the Ledger example you will see figures in a small column to the left of the money columns there. These refer to the pages of the Day Book from which the entries are taken, and are also made at the time of posting.

In the arrangement of the foregoing examples, the date has been put in the middle of the page, and the references to the Ledger on the left. This is the practice of some book-keepers. Others, again, write the date to the left, and the references to the Ledger in a small column next the money columns, as is done in the regular Day Book, commencing on page 26.

BOOK-KEEPING.

Some authors on Book-keeping recommend the use of the word "For" instead of "To" and "By" in single entry, both in the Day Book and Ledger, on the ground that the latter words, as used in single entry, are ungrammatical. But, although this position is conceded, as "To" and "By" are almost universally used by book-keepers, and are not at all likely to be discontinued, we have thought it best, in this work, to adhere to the usual form of expression.

QUESTIONS FOR EXERCISE.

- What is Book-keeping?
In what does it consist?
What is the object of single entry Book-keeping?
What is a running account?
What does it show on the Dr. side?
What does it show on the Cr. side?
Must every entry be dated?
What is the principal book used in Book-keeping?
What is kept in it?
With what view are the entries in the Day Book made?
How do you find whether a person owes you, or you him, and how much?
How do you "square off" with the person?
Ans.—You must pay him the difference, if it be against you, or he must pay you the difference, if it be against him.
What do you write over an account?
How did John Smith get into your debt?
On which side of his account do you put the values of such things?
How did you get into John Smith's debt?
What is the same thing as getting into a man's debt?
Ans.—His getting out of yours.
On which side do you put the values of things you get from him?
Could a person keep his accounts with only a Ledger?
What other book is generally necessary?
Why is John Smith Dr. for the first entry?

SINGLE ENTRY DAY BOOK.

Where is John Smith's name written?

Where is Dr. written?

Where do you place the different sums which go to make up the total amount?

In which column is the total amount placed?

Why do you not put into the Ledger all the different articles that he bought?

In the next entry, why is John Smith Cr.?

In which column do you put the whole amount?

When do you carry the amount at once into the proper money column?

Might you and John Smith have had dealings which need not have been entered in the Day Book or Ledger at all?

Ans.—Yes, if the articles bought or sold were paid for in full at the time.

What would you do if you wished particularly to remember such transactions?

What does the word "Sundries" mean in single entry Book-keeping?

Why is it used?

Do you use the word if the articles meant are all of the same kind?

What do the figures to the left of the Day Book entries refer to?

When are they made?

What is making entries into the Ledger called?

What do the figures in the small column to the left of the money columns in the Ledger refer to?

When are they made?

SINGLE ENTRY DAY BOOK.

The following Day Book has been arranged in the form which the authors believe to be the best calculated to insure accurate and intelligible book-keeping, while very little, if any, sacrifice of time is required to attain that desirable end. The learner should copy it in a neat, legible hand, taking care to place no figures in the money columns except the sums intended to be transferred to the Ledger.

BOOK-KEEPING.

The teacher should recollect that neatness and accuracy, equally with obtaining an intellectual knowledge of the science, are the objects to be aimed at; and that no pupil should be permitted to proceed to posting, until he has written the Day Book in a satisfactory manner.

The references to the Ledger should be omitted in the copying, and inserted by the pupil at the time of posting.

ST JOHN, May 1st, 1871.

			\$	c.	\$	c.
1870	May 1	A. H. EATON and J. C. P. FRAZEE have this day entered into co-partnership under the name and style of EATON & FRAZEE, for the purpose of carrying on a general dry goods and grocery business. Gains or losses to be shared equally.				
		A. H. EATON invests,				
		Cash	\$	2000	00	
		100 bbls. Flour @ \$6 per bbl.		600	00	
		Magee Brothers owe him		400	00	
		Geo. Thomas owes him		500	00	
				3500	00	
		J. C. P. FRAZEE invests,				
		Cash	\$	2500	00	
		R. T. Muir owes him		400	00	
		Burns & Murray owe him		500	00	
				3400	00	
	" "	A. H. EATON,				
		By his net capital as above				Cr.
						3500
	" "	J. C. P. FRAZEE,				
		By his net capital as above				Cr.
						3400
	" "	Magee Brothers,				
		Geo. Thomas,	Dr.	400	00	
		R. T. Muir,	"	500	00	
		Burns & Murray,	"	400	00	
		To balances against them, per above statement.	"	500	00	
	" 5	J. HUNT,				
		By his bill for work on store				Cr.
						85
	" "	J. S. TURNER,				
		To 20 bbls. Flour @ \$7.00				Dr.
				140	00	
May	1	J. S. TURNER,				
		By Cash per C. B., f. p. 1				Cr.
						80

SINGLE ENTRY DAY BOOK.

ST JOHN, N.B.

1870				\$	c.	\$	c.
May 8	DANIEL & BOYD,		CR.				
	By their Inv. (No. 1) of Dry Goods						2000 00
	To Cash paid them per C. B., p. 2		DR.	1500	00		
" 10	J. HUNT,						
	To goods supplied A. B. Capp, per his order	\$45.00	DR.				
	" " G. Jost,	20.00		65	00		
" 12	LOGAN & LINDSAY,						
	By their Inv. (No. 2) of Groceries		CR.				1800 00
	To Cash paid them per C. B., p. 2	\$500.00	DR.				
	" our Note (No. 1) at 3 mos.	700.00		1200	00		
" 15	T. R. JONES,						
	To 20 lbs. Tea @ 70c.	\$14.00	DR.				
	" 1 bbl. Sugar, 200 lbs. @ 15c.	30.00					
	" 1 " Flour	8.00		52	00		
" 20	DUFFUS & Co.,						
	To 8 bbls. Flour @ \$7.50	\$60.00	DR.				
	" 5 " Sugar, 1000 lbs. @ 14c.	140.00					
	" 2 chests Tea, Y. H., 120 lbs. @ 80c.	96.00					
	" 3 bbls. Apples @ \$4.00	12.00		308	00		
	By Cash per C. B., p. 1	\$180.00	CR.				
	" their Order on Douli & Milier	88.00					268 00
" 25	DOULE & MILLER,						
	To above Order from Duffus & Co. remitted on acct.		DR.	88	00		
" "	L. C. EATON,						
	To 1 bbl. Flour	\$7.50	DR.				
	" 5 lbs. Sugar @ 15c.	.75					
	" 6 " Tea @ 50c.	3.00					
	" 20 " Rice @ 5c.	1.00		12	25		
" 29	MAGEE BROTHERS,						
	By Cash per C. B., p. 1		CR.				250 00
" 31	A. H. EATON,						
	To Cash per C. B., p. 2		DR.	60	00		
" "	J. C. P. FRAZEE,						
	To Cash per C. B., p. 2		DR.	75	00		

(21)

curacy,
science,
ould be
he Day
pying,

\$ c.

3500 00

400 00

85 00

80 00

BOOK-KEEPING.

ST JOHN, N.B.

			\$	c.	\$	c.
1870						
June	1	BURNS & MURRAY,				
		To 28 yds. Black Silk @ \$3.25 . . .	DR.			
		" 32 ,, Factory Cotton @ 20c. . .	\$91.00			
		" 12 pairs Woollen Blankets @ \$5.50 . .	66.00			
		" 1 suit Broadcloth . . .	30.00			
		" 3 pairs long Boots @ \$5.00 . . .	15.00			
				208	40	
		By Cash on acct. per C. B., p. 1 . . .	CR.			
						108
						40
	"	5 DANIEL & BOYD,				
		To Cash paid them on acct. per C. B., p. 2	DR.			
				400	00	
	"	" GEO. THOMAS,				
		By Cash rec'd on acct. per C. B., p. 1 . .	CR.			
						200
						00
	"	8 J. & A. M'MILLAN,				
		By their Inv. of Stationery (No. 3) . . .	CR.			
						235
						00
		To our Note @ 2 mos. (No. 2), per B. B. .	DR.			
				200	00	
	"	10 LAWTON & VASSIE,				
		To 8 quires Foolscap @ 20c. . .	DR.			
		" 2 boxes Spencerian Pens @ 80c. . .	\$1.60			
		" 1 Eaton's Commercial Arith. . .	1.60			
		" 4 doz. Penholders @ 15c. . .	.60			
				5	30	
	"	15 J. S. TURNER,				
		To our Order on L. C. Eaton . . .	DR.			
				82	25	
	"	" L. C. EATON,				
		By our Order in favour of J. S. Turner . .	CR.			
						82
						25
	"	20 J. HUNT,				
		To Cash paid him in full per C. B., p. 2 . .	DR.			
				20	00	
	"	" DOULL & MILLER,				
		To 10 bbls. Flour @ \$7.00 . . .	DR.			
		" 6 ,, Apples @ \$3.00 . . .	\$70.00			
		" 4 ,, Sugar, 800 lbs., @ 15c. . .	18.00			
		" 4 half chests Tea @ \$10.00 . . .	120.00			
		" 10 bbls. Potatoes @ \$3.00 . . .	40.00			
				30	00	
				278	00	
	"	21 MAGEE BROTHERS,				
		To 5 bbls. Flour @ \$6.50 . . .	DR.			
		" 4 ,, Apples @ \$4.25 . . .	\$32.50			
		" 2 ,, Sugar @ \$30.00 . . .	17.00			
		" 60 lbs. Tea @ 60c. . .	60.00			
		" 40 lbs. Coffee @ 20c. . .	36.00			
				8	00	
				153	50	
		By their Note @ 3 mos. (No. 1) per B. B. .	CR.			
						105
						00

BOOK-KEEPING.

ST JOHN, N.B.

		DR.	\$	c.	\$	c.
1870	8 J. S. TURNER,					
July	To 18 bbls. Flour @ \$10.00	DR.	\$			
	" 18 " Apples @ \$4.00					
	" 12 " Potatoes @ \$2.00					
	By Cash per C. B., p. 1	CR.		268	00	
						168 00
	10 L. C. EATON,					
	To 9 yds. Scotch Tweed @ \$1.25	DR.				
	" 12 " Canadian " @ \$1.10					
	" 20 " White Flannel @ \$1.15					
	" 1 suit fine Broadcloth					
	" 1 fine Overcoat					
				105	45	
	12 DANIEL & BOYD,					
	To Cash paid them on acct. per C. B., p. 2	DR.		313	00	
	15 MAGEE BROTHERS,					
	To Cash paid them on acct. per C. B., p. 2	DR.		300	00	
	20 BURNS & MURRAY,					
	By their Inv. of Dry Goods (No. 6)	CR.				1800 00
	25 LAWTON & VASSIE,					
	By their Invoice (No. 7)	CR.				1140 80
	Inventory of Mdse.		\$	6500		

CASH BOOK.

CASH BOOK.

EVERY business should have a well-kept Cash Book. The one annexed illustrates the entries for the receipts and payments of money supposed to have taken place in the business transactions described in this work.

On the left hand side, under the head of "Cash Received," are recorded all sums of money received by us from others, with explanations of what they were received for. In the column headed "Ledger Title," is written the name of the account which would be credited for each sum if it were entered into the Ledger.

On the right hand side are all sums paid out by us, with an explanation of each payment; and in the column headed "Ledger Title," the name of the account in the Ledger to be debited for the same.

As only personal accounts, that is, accounts with persons, are used in Single Entry, only those sums opposite the names of *persons* or *firms* in the Cash Book up to the end of July will be found in the Ledger; but in these cases the "Ledger Title" invariably indicates the account in the Ledger in which the corresponding sum has been entered. Compare and see.

The "Ledger Titles" are of no special use in Single Entry, or even in Double Entry, unless the Cash Book is either journalised or posted, further than that they enable one to detect any particular entry he may be in search of with greater readiness than he could without them. They might, therefore, be omitted. But as they must be used when this book is either journalised or posted, and many use it in this way, it is better that the pupil should learn to keep his Cash Book in the form here given.

Let us examine some of the entries. The first is that for \$2000 invested by A. H. Eaton. It is money received, and therefore is placed on the left hand side. The date is written in the columns for that purpose. Then, under the head of

c.	\$	c.
00		
168	00	
1800	00	
1140	80	

BOOK-KEEPING.

"Ledger Title" we write A. H. Eaton, because his account should be credited for the sum in the Ledger. See A. H. Eaton's account. We then write under the head of "Paraphrase," "Rec'd his investment," thus explaining what the money was received for; and the amount in the proper money column. The next entry is for the amount invested by J. C. P. Frazee, and is, of course, entered in a similar manner. The next is for \$80 received from J. S. Turner. After the date write J. S. Turner as "Ledger Title," for the usual reason, viz., it is the account in the Ledger credited for the sum (see his account); and in the paraphrase explain, "Rec'd from him on acct.," and place the sum in the money columns. The next entry is for the amount received during the week ending May 6th for cash sales. For this entry we write Mdse. for "Ledger Title." In Single Entry this amount is not entered into the Ledger at all; but in Double Entry the Mdse. account would be credited for the sum, and this is the reason why Mdse. is used as "Ledger Title." This the pupil will understand better when he has been made acquainted with the principles of Double Entry.

The Cash Book should be balanced at the end of each month. In business it might be necessary to balance it weekly, or even daily, if the entries were very numerous. In balancing, ascertain the sum of each side, and subtract the sum of the credit side from that of the debit side, and enter the difference on the credit side, in red ink, with the words "Balance on hand." The two sides will then be equal. Then rule and enter the equal sums on the same horizontal line, in the form given in this book.

As it is impossible to pay out more money than has been received, the credit side can never exceed the debit, unless by mistake. The balance, at any time, should exactly tally with the amount of money found on hand by counting. If it should not so agree, the book-keeper may be sure that an error has been made, either in counting the money, or in his entries in the Cash Book, which must be rectified before the balance is entered. In every case, the balance entered must be exactly the amount of money on hand.

The pupil should copy the Cash Book as far as the end of July; but the teacher should see that he thoroughly understands all the entries; that he is able to tell, from his own

CASH BOOK.

researches, what entries are found in the Ledger and what are not, and why. For instance, the entry of May 6th, on the debit side, is not in the Ledger. No person requires to be credited for that sum, because we give an equivalent for it *at the time it was received*. Again, the two entries of May 12th, credit side, are not in the Ledger, because for the first we received an equivalent in labour, *at the time*, from the truckman; and for the second we received an equivalent in goods, also *at the time the payment was made*.

The Cash Book, after the first of August, belongs to the Double Entry set, and the entries are all obtainable from the Double Entry Day Book. As it is kept in the same form as that for Single Entry, the pupil, after having examined it, should write it from his Day Book without the aid of the copy here given. If he should not do it well at first he should go over it again, and so on till he does. Let the paraphrases or explanations on the "Cash Received" side always begin with the word "Rec'd;" and those on the "Cash Disbursed" side with the word "Paid." The explanations should be as brief as possible, but perfectly explicit. No circumstance which it might be important to remember should ever be omitted.

BOOK-KEEPING.

QUESTIONS FOR EXERCISE.

- What are recorded on the left hand side of the Cash Book?
What are written in the column headed Ledger Title?
What are recorded on the right hand side?
What are written in the column headed Ledger Title?
What sums entered in the Cash Book for Single Entry are found in the Ledger?
Are the Ledger Titles of any special use in Single Entry?
In what cases are they indispensable in Double Entry?
Why is the first entry placed on the Dr. side?
Where is the date written?
What is written under the head of "Ledger Title?"
Why?
Is this sum (\$2000) found in A. H. Eaton's acct.?
On which side?
What is the paraphrase in this entry?
Is the next entry entered in a similar manner?
Why?
What is the third entry?
What is the Ledger? and why?
What is the paraphrase for this entry?
What is the fourth entry?
What is the Ledger Title? and why?
Is this amount found in the Ledger?
Why?
How often should the Cash Book be balanced?
Describe the process of balancing?
Is it allowable to rule one side higher up the column than the other? **ANS.**—No; on the same horizontal line.
Why can the Cr. side never exceed the Dr. side?
With what should the balance exactly tally?
If it does not, what then?
What amount must always be entered as the balance?

CASH BOOK.

Is the entry for May 6th found in the Ledger?

Why?

Is either of the entries of May 12th found in the Ledger?

Why, as regards the first?

Why, as regards the second?

NOTE.—The teacher should continue asking questions of this sort through all the entries, or nearly.

From what book are all the entries in the Cash Book after the first of August obtainable?

With what word should the paraphrase on the Dr. side always begin?

On the Cr. side?

What should be the character of the explanations?

BOOK-KEEPING.

CASH RECEIVED.

1870.		LEDGER TITLE.	PARAPHRASE.	MDSE.		SUNDRIES.	
				\$	c.	\$	c.
May	1	A. H. Eaton.....	Rec'd his Investment.....			2000	00
"	"	J. C. P. Frazee	" " " " " " " " " "			2500	00
"	5	J. S. Turner.....	" on acct.....			80	00
"	6	Mdse.....	" forsales during week	45	18		
"	13	" " " " " " " " " "	" " " " " " " " " "	64	28	180	00
"	20	Duffus & Co.....	" on acct.....				
"	"	Mdse.....	" forsales during week	56	20		
"	27	" " " " " " " " " "	" " " " " " " " " "	120	93	250	00
"	29	Magee Brothers	" on acct.....				
			Merchandise.....	286	59	286	59
						5296	59
June	1	Burns & Murray	Balance brought down..			2404	09
"	3	Mdse.....	Rec'd on acct.....			108	40
"	5	Geo. Thomas.....	" forsales during week	84	12		
"	10	Mdse.....	" on acct.....			200	00
"	17	" " " " " " " " " "	" forsales during week	54	90		
"	24	Burns & Murray	" on acct.....	73	37	85	00
"	"	Mdse.....	" forsales during week	90	04		
"	30	Lawton & Vassie	" on acct.....			500	00
"	"	Mdse.....	" forsales during week	39	63		
			Merchandise.....	342	06	342	06
						3639	55
July	1	Mdse.....	Balance brought down..			2488	15
"	5	T. R. Jones.....	Rec'd for sales this day...	20	30		
"	6	F. S. Sharp.....	" from him on acct....			120	40
"	8	J. S. Turner.....	" " " " " " " " " "			100	00
"	"	Mdse.....	" " " " " " " " " "			168	00
"	15	" " " " " " " " " "	" forsales during week	67	83		
"	22	" " " " " " " " " "	" " " " " " " " " "	70	11		
"	27	Bills Rec'ble....	" " " " " " " " " "	68	94	75	00
"	29	Mdse.....	" paym't of note No. 2 for sales during week	34	27		
			Merchandise.....	261	45	261	45
						3213	00

CASH BOOK.

CASH DISBURSED.

1870.		LEDGER TITLE.	PARAPHRASE.	\$	c.
May	8	Daniel & Boyd..	Paid in part for Invoice No. 1.....	1500	00
"	9	Expense.....	" for truckage on same.....	8	25
"	12	Logan & Lindsay	" in part for Invoice No. 2.....	500	00
"	"	Expense.....	" for truckage on same.....	2	75
"	18	Mdse.....	" for goods bought at auction this day	750	00
"	"	Expense.....	" truckage on same.....	1	50
"	31	A. H. Eaton.....	" him on private acct.....	60	00
"	"	J. C. P. Frazee	" " " " " " " " " " " "	75	00
"	"	"	" Balance on hand.....	2404	09
				5296	59
June	5	Daniel & Boyd..	Paid them on acct.....	400	00
"	15	Expense.....	" gas bill to date.....	6	40
"	20	J. Hunt.....	" him bal. of his acct.....	20	00
"	24	T. R. Jones.....	" " on Invoice No. 4.....	200	00
"	30	Logan & Lindsay	" them on acct.....	300	00
"	"	Mdse.....	" for sundry articles.....	225	00
				2488	15
				3639	55
July	12	Daniel & Boyd..	Paid them on acct.....	313	00
"	15	Magee Bros.....	" " " " " " " " " " " "	300	00
"	20	Expense.....	" bill of taxes.....	12	50
"	29	"	" 1 qr.'s rent from May 1.....	200	00
				2387	50
				3213	00

BOOK-KEEPING.

CASH RECEIVED.

1870	LEDGER TITLE.	PARAPHRASE.	MDSE.		SUN'RS.	
			\$	c.	\$	c.
		Balance brought forward.....			2387	50
Aug.	2 Mdse.....	Rec'd in full for goods sold J. S. Cooper	320	00		
"	4 R. T. Muir.....	" from him on acct.....			103	00
"	" Magee Brothers.....	" " them "			160	00
"	" Doull & Miller.....	" " " "			228	00
"	12 Bills payable.....	" " " " on loan from Jardine & Co.....			4000	00
		Merchandise.....	320	00	320	00
					7198	50
Sep.	2 Bauld, Gibson & Co.	Balance brought down.....			3307	50
"	6 Interest.....	Rec'd from them per d'ft on College Bk.			800	00
"	13 Geo. Thomas.....	" on note No. 5.....			16	00
"	17 Mdse.....	" from him on acct.....			35	00
"	20 G. Bent.....	" " L. C. Eaton for goods sold him	26	80		
"	24 Bills Rec'ble.....	" per check on Bank of N. B.....			700	00
"	29 Mdse.....	" paym't of note No. 1.....			105	00
		" from Black Bros. & Co., Halifax, per P. O. order.....	11	75		
		Merchandise.....	38	55	38	55
					5002	05
Oct.	6 G. Bent.....	Balance brought down.....			744	05
"	15 Jardine & Co.....	Rec'd from him on J. R. Curry & Co's const.....			515	00
"	20 Ship't to Halifax..	" from them on J. R. Curry & Co's const.....			800	00
"	25 Thos. Barnes.....	" from E. Morrison n.p. per act. sales			521	00
"	30 Mdse.....	" " him on acct.....			80	00
"	" Ship Emma.....	" for cash sales this day.....	105	27		
		" " freights.....			750	00
			105	27	105	27
					3515	32
		Balance brought down.....			2462	02

CASH BOOK.

CASH DISBURSED.

SUN'RS.	\$	c.
	2387	50
	103	00
	160	00
	228	00
	4000	00
	320	00
	7198	50
	3307	50
	800	00
	16	00
	35	00
	700	00
	105	00
	38	55
	02	05
	44	05
	15	00
	00	00
	1	00
	0	00
	0	00
	5	27
	3	32
	0	2

1870	LEDGER TITLE.	PARAPHRASE.	\$	c.
Aug. 2	Mdse.	Paid R. J. Pears for Inv. No. 8 in full.....	500	00
" 7	R. T. Muir.....	" him on Inv. No. 9.	200	00
" 10	Bills payable.....	" Note No. 2 in full.	200	00
" 11	Troop & Son.....	" them on ship Emma.....	2000	00
" 12	Bills payable.....	" Note No. 1 in full.....	700	00
" 15	Expense.....	" Clerk in full to Aug. 1.....	125	00
" 18	".....	" for freight on Inv. No. 10.....	50	00
" 20	Wm. Jack.....	" him for Ins. on ship Emma, cont. 12th inst.	116	00
		Balance on hand.....	3307	50
			7198	50
Sep. 1	Expense.....	Paid sundry Expenses.....	75	00
" 5	Daniel & Boyd....	" them on House and Lot.....	1500	00
" 6	Bills rec'ble.....	" W. Wilson on his note (No. 5) @ 4 mos.	816	00
" 12	College Bank.....	" on deposit.....	1500	00
" 15	A. H. Eaton's P. A.	" him on his private acct.....	150	00
" 25	J. S. Turner.....	" " acct.....	25	00
" "	Logan & Lindsay..	" them on ".....	71	00
" "	Burns & Murray...	" " (remitted per mail).....	76	00
" 30	J. C. P. Frazee....	" his rent bill per receipt.....	45	00
		Balance on hand.....	744	05
			5002	05
Oct. 1	J. R. Curry & Co.'s const.....	Paid for freight.....	120	00
" 4	J. C. P. Frazee's P. A.	" him on his private acct.....	80	00
" 12	Shipm't to Halifax	" truckage, &c.....	7	50
" 24	Expense.....	" Clerk in full to Oct. 31st.....	125	00
" 25	".....	" gas bill to date.....	20	80
" 28	Lawton & Vassie..	" their d'ft at sight in favour of Stone Bros.	500	00
" 31	Expense.....	" rent of Store to date.....	200	00
		Balance on hand.....	2462	02
			3515	32



BILL BOOK.

ALL Notes and Acceptances, either in our favour or against us, should be registered in a book for the purpose, called the Bill Book. Notes and Acceptances in our favour are registered under the head of "Bills Receivable," and those against us under the head of "Bills Payable."

The entries in the following Bill Book explain themselves. They are the registry of the Notes and Acceptances received and given in the transactions recorded in the Day Books of both the Single and Double Entry Sets.

This book is useful as a book of reference, and is almost indispensable in a business where the receipt or giving of notes is of frequent occurrence.

The pupil, after examining this book, should register the Notes from the Day Book entries without referring to the entries here given. A good plan would be for the teacher to take the book some time after the pupil or class has copied each of the Day Books, read over the entries which refer to the Notes, and require the pupils to register them without the aid of the book, under his immediate supervision.

NOTE.—It is usual to allow three days on Notes, called "days of grace."

BOOK-KEEPING.

BILLS

No.	When Receiv'd		Place and Date.		By Whom Drawn.	In Whose Favour.	On Whom Drawn.	Where Payable.
	1870.		1870.					
1	June 21	St John	June 21		Magee Brothers..	Selves.		St John...
2	" 24	Halifax	" 24		Burns & Murray	do.		do.
3	Aug. 4	St John	Aug. 4		G. H. White & Co.	do.		do.
4	" 16	do.	" 16		T. R. Jones.....	do.		CollegeBk.
5	Sept. 6	do.	Sept. 6		W. Wilson.....	do.		do.
6	" 20	do.	" 20		G. Bent.....	do.		do.
7	" "	do.	" "		do.	do.		do.
8	Oct. 6	do.	Oct. 6		do.	do.		do.
9	" 15	do.	" 15		Jardine & Co.....	do.	W. O. Smith	do.

BILLS

No.	Place and Date.		By Whom Drawn.	In Whose Favour.	Where Payable.
1	St John	1870. May 12			
2	do.	June 8	Selves.	Logan & Lindsay.....	St John.....
3	do.	Aug. 11	do.	J. & A. McMillan.....	Bank of B. N. A.
4	do.	" 12	do.	Troop & Son.....	Bank of N. B....
5	do.	" 19	Lawton & Vassie.....	Jardine & Co.....	" "
6	do.	Sept. 5	Selves.	Geo. Thomas.....	St John.....
7	do.	Oct. 27	do.	Daniel & Boyd.....	"
8	do.	" 27	J. R. Curry & Co.....	Magee Brothers.....	"
				Jardine & Co.....	"

BILL BOOK.

RECEIVABLE.

Where Payable.

John...
do.
do.
legeBk.
do.
do.
do.
do.
do.

When Accept'd	Time.		When Due.												Amount.		How Disposed of.	
	After Sight	After Date.	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	\$	C.		
		3 mos																
		1 "															105 00	Rec'd cash Sept. 24 '70
		3 "															75 00	" July 27 '70
		60 d'ys							27								1263 10	Endorsed to Daniel & Boyd, Sept. 5 '70.
		4 mos	71														900 00	Disc'd at College Bnk.
		3 "	9														816 00	
		6 "			71												150 00	
		4 "			23												150 00	
1870.			71														500 00	
Oct. 18	30 d'ys		9														600 00	

PAYABLE.

able.

N. A.
B...

When Accept'd	Time.		When Due.												Amount.		How Redeemed.	
	After Sight.	After Date.	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	\$	C.		
		3 mos								70							700 00	Pd. in cash Aug. 12 '70
		2 "								15							200 00	" " 10 '70
		6 "	71														1500 00	
		3 "	14														4000 00	
1870.																	350 00	
Aug. 19	2 mos												15				4000 00	
		3 "															350 00	Pd. Oct. 24 '70.
		3 "															350 00	
Oct. 29	20 d'ys		71														875 00	
			30														2000 00	

BOOK-KEEPING.

Again, suppose you buy from J. Jones a lot of goods worth \$50, and give him your Note for the amount—what is Dr.? You have given your Note or promise to pay money, and your claim for the amount is upon the goods, or Mdse. is Dr.? What is Cr.? Not J. Jones; for you have paid him with your Note, which is a payment as much as money. The Note will claim the money when it is due, or some one will claim it by means of the Note; therefore you owe the Note, that is, the Note is Cr. Now, all ~~written~~ promises to pay money that a man gives to others, against himself, he calls "Bills Payable." So Mdse. is Dr., and Bills Payable are Cr.

Journal Entry :—

Mdse.		\$50
To Bills Payable	:	\$50

Again, if you buy goods for cash, say to the amount of \$50, you would perhaps suppose there would be neither Dr. nor Cr. resulting. And there would not be in Single Entry. But in Double Entry there would be both, on the principles already introduced. Mdse. is Dr., because it has caused you to part with the value of \$50, and you have a claim on it to that amount. The account of your money in Book-keeping is called Cash; and Cash is Cr. because it has supplied you with the means of getting the goods.

Journal Entry :—

Mdse.		\$50
To Cash	:	\$50

For similar reasons, when you sell goods for Cash, Cash is Dr. and Mdse. is Cr.

Every business transaction thus gives rise to at least a Dr. and a Cr., sometimes to several debtors and one creditor, sometimes to one debtor and several creditors, and sometimes to several debtors and several creditors, which may all be explained as readily as the foregoing examples—the sum of the debtors being always equal to the sum of the creditors. Thus a complete and beautiful system of debtor and creditor has been arranged, perfectly accurate in its results, and called Double Entry.

The foregoing explanations have been given to enable the

DOUBLE ENTRY.

student of book-keeping, who peruses this work, to find a means of determining the true and philosophical reason for every Dr. and every Cr.; and no person can be considered to possess a good knowledge of accounts who cannot, in this manner, explain every Journal entry, or, at least, understand the principles on which the reasons of the entries rest.

The "Rules" for Journalising, given on page 60, will probably be found to present more ready directions for determining the Drs. and Crs. from most transactions, and learners are earnestly recommended to commit them carefully to memory.

QUESTIONS FOR EXERCISE.

What fact is particularly recognised in Double Entry Book-keeping?

If you buy from J. Jones on credit goods to the amount of \$50, what will be Dr.?

Why?

What will be Cr.?

Why?

What is meant by Merchandise?

Give the form of the Journal Entry.

What does it mean?

Is it necessary to insert Dr. after each debtor?

If you sell J. Jones a lot of goods on credit for \$50, what will be Dr.?

Why?

What will be Cr.?

Why?

Give the Journal Entry.

What does it mean?

If you sell J. Jones goods to the amount of \$50, and he gives you his Note in full, what will be Dr.?

Why?

BOOK-KEEPING.

- What will be Cr. ?
- Why ?
- Give the Journal Entry.
- What does it mean ?
- Why is not J. Jones Dr. ?
- Is a Note payment ?
- What are Bills Receivable ?
- If you buy from J. Jones goods to the amount of \$50, and give him your Note in full, what will be Dr. ?
- Why ?
- What will be Cr. ?
- Why ?
- Give the Journal Entry.
- Why would you not owe J. Jones ?
- What are Bills Payable ?
- If you buy goods for cash, what is Dr. ?
- What is Cr. ?
- How must the Drs. and Crs. in any Journal Entry compare in amount ?
- What ought you to commit to memory ?

DAY BOOK—DOUBLE ENTRY.

MANY merchants keep, beside the Day Book, an Invoice Book and a Sales Book, from which, as well as from the Cash and Bill Books, the entries are either journalised or posted direct to the Ledger. But as it is impossible to give an exhaustive treatise on book-keeping in a book of this size, and as the course here presented is chiefly intended for beginners, we have not introduced an Invoice or Sales Book, and merely given examples of the Cash and Bill Books, without undertaking to illustrate the manner of posting these or any other auxiliaries.

All the business transactions supposed to have taken place are recorded in the Day Book in as brief forms as possible, consistent with accuracy and intelligibility; and the student who becomes familiar with them will have acquired brief and business-like forms of entry for all the most common business transactions.

Let the pupil copy them in a book for the purpose, and continue to do so until he can do it neatly and legibly before proceeding to journalise. The more care is taken in acquiring neatness, accuracy, and legibility in the execution of the work, the more creditably it will be performed, and the greater will be the satisfaction of both teacher and pupil when it is done. When a person undertakes to learn book-keeping, he is like an apprentice who would be a carpenter or a blacksmith,—he must not only learn *how* the work is done *well*, but he must learn to *do it well himself*.

BOOK-KEEPING.

ST JOHN, August 1st, 1870.

1870				\$	c.	\$	c.
Aug. 1	INVENTORY of the joint effects of A. H. Eaton and J. C. P. Frazee on resuming business this day. (Books changed from Single to Double Entry.)						
	ASSETS.						
	Magee Brothers	owe us		498	50		
	Geo. Thomas	owes us		800	00		
	R. T. Muir	"		250	00		
	J. S. Turner	"		242	25		
	T. R. Jones	"		22	00		
	Duffus & Co.	owe us		40	00		
	Doull & Miller	"		366	00		
	L. C. Eaton	owes us		35	45		
	F. S. Sharp	"		63	00		
	Cash on hand per C. B.	. . . . .		2387	50		
	Mdse. in Store	. . . . .		6500	00		
	Note (No. 1) per B. B.	. . . . .		105	00	10809	70
	LIABILITIES.						
	We owe Burns & Murray	. . . . .		1360	00		
	" Daniel & Boyd	. . . . .		537	00		
	" Logan & Lindsay	. . . . .		300	00		
	" J. & A. McMillan	. . . . .		35	00		
	" Lawton & Vassie	. . . . .		1090	50		
	" on Notes per B. B.	. . . . .		900	00		
	Of the balance, A. H. Eaton's net Capital is	. . . . .		3351	10		
	and J. C. P. Frazee's	"		3236	10	10809	70
.. 2	Bought for Cash of R. J. Peare— Mdse. per Invoice No. 8					500	00
	Sold J. S. Cooper for Cash—						
	40 yds. Bleached Sheeting	. . . . . @ \$0.80		32	00		
	20 " Calico	. . . . . @ .40		8	00		
	70 " Black Silk	. . . . . @ 4.00		280	00	320	00
.. 4	Rec'd from R. T. Muir on acct., cash			103	00		
	" Magee Brothers	" "		160	00		
	" Doull & Miller	" "		228	00	491	00
	Sold G. H. White & Co., Sussex Vale, and sent them by rail—						
	20 bbls. Flour	. . . . . @ \$8.00		160	00		
	4 hhd. Molasses, 120 gals. each	. . . . . @ .42		201	60		
	12 bbls. Apples	. . . . . @ 3.25		39	00		
	10 hhd. Sugar, 1150 lbs. each	. . . . . @ 74		862	50	1263	10
	Rec'd in payment their Note @ 3 mos.						

DOUBLE ENTRY DAY BOOK.

ST JOHN, August 6th, 1870.

1870			\$	c.	\$	c.
Aug. 6	Sold Thomas Barnes, Ossekeag, on acct.—					
	5 reams Foolscap	@ \$3.75	18	75		
	8 " Note Paper	@ 2.25	18	00		
	4 " Letter "	@ 2.87½	11	50		
	25 bunches Envelopes	@ .05½	1	38		
	½ doz. boxes Staples' Pens	@ .60	3	60		
	12 sets Staples' Copy Books	@ .75	9	00		
	24 copies Eaton's Arithmetic	@ 1.00	24	00	86	23
" 7	Bought of R. T. Muir, Halifax—					
	Mdse. per Invoice No. 9					450 00
	Remitted in payment, Cash		200	00		
	Balance on acct.					
" 8	Sold T. R. Jones on acct.—					
	2 bbls. Flour	@ \$8.00	16	00		
	4 " Apples	@ 4.25	17	00		
	2 " Potatoes	@ 2.50	5	00		
	2 " Sugar	@ 18.50	37	00		
	2 chests H. Y. Tea	@ 33.00	66	00	141	00
" 11	Paid Note No. 2 in Cash				200	00
" "	Sold Magee Brothers, on acct.—					
	3 pieces Black Silk, 70 yds. each.	@ \$1.75			367	50
" 11	Bought of Troop & Son—					
	(¼) one-fourth of ship "Emma" for				4000	00
	Gave in payment Cash		2000	00		
	" our Note @ 6 mos.		1500	00		
	" " order on Magee Brothers for bal.		500	00		
" 12	Effected Insurance on ship "Emma" for voyage to					
	Cuba, with Wm. Jack.					
	Premium and Policy (not paid)				116	00
" "	Gave Logan & Lindsey an order on L. C. Eaton for bal.					
	of his acct.				35	45
" "	Borrowed of Jardine & Co. on our Note at 3 months,					
	Cash				4000	00
" "	Paid Logan & Lindsay Note No. 1 in Cash				700	00
" 15	Paid Clerk in full to August 1st in Cash				125	00
" 16	Sold T. R. Jones on his Note @ 60 days—					
	140 pcs. Merrimac Prints	@ \$4.50	630	00		
	60 " Furniture "	@ 2.50	150	00		
	40 " Fancy Stripe	@ 3.00	120	00	900	00

DOUBLE ENTRY DAY BOOK.

ST JOHN, September 5th, 1870.

\$	c.			\$	c.	\$	c.	\$	c.
900	00	1870							
		Sep.	5	Bought of Daniel & Boyd—					
				House and Lot on Leinster Street for				3200	00
				Gave in payment, Cash	1500	00			
				G. H. White & Co's Note (No. 3, per B. B.)	1263	10			
				An Order on T. R. Jones for	80	90			
				Our Note @ 3 mos. for bal.	350	00			
3050	00		"	6 Loaned W. Wilson on his Note @ 4 mos.—					
				Cash	800	00			
350	00			Interest at 6 per cent. included in note	16	00		816	00
116	00		"	8 Sent p. order of Burns & Murray, Hx., by str. "Empress"—					
				80 pcs. Prints @ \$4.00	320	00			
				60 " Fancy Stripes @ 3.00	180	00			
				20 bbis. Dried Apples @ 6.50	130	00		630	00
912	00		"	9 Sold Magee Brothers on acct.—					
				10 bbis. Flour @ \$8.00	80	00			
				8 " Apples @ 4.00	32	00			
				5 " Potatoes @ 3.00	15	00			
69	20			80 lbs. Sugar @ .15	12	00			
				40 " Tea @ .50	20	00			
				25 " Rice @ .05	1	38		160	38
44	00		"	12 Deposited in College Bank, Cash				1500	00
			"	13 Rec'd from Geo. Thomas on acct., Cash				35	00
74	46		"	15 Sold F. S. Sharp on acct.—					
				1 Black Silk Hat	5	00			
				2 pairs Women's Boots @ \$3.50	7	00			
				1 suit fine Broadcloth Clothes	32	00			
				6 Linen Handkerchiefs @ .50	3	00			
				1 " Duster	5	50		52	50
			"	" Paid A. H. Eaton for his private acct.				150	00
166	63		"	17 Sold L. C. Eaton for Cash—					
				2 pairs Fine Boots @ \$5.50	11	00			
				4 " Flannel Shirts @ 3.25	13	00			
250	00			2 " Kid Gloves @ 1.40	2	80		26	80
75	00		"	20 Sold G. Bent—					
				4 hds. Sugar, 3500 lbs. net @ \$0.10	350	00			
				15 cwt. Cheese @ 9.50	142	50			
				10 bbis. Flour @ 7.00	70	00			
				25 bags Common Salt @ 2.00	50	00			
				12 firkins Butter, 60 lbs. each @ .20	144	00			
				14 bbis. Mess Pork @ 20.00	280	00			
00	00			25 cwt. Buckwheat Meal @ 1.80	45	00		1081	50

BOOK-KEEPING.

ST JOHN, September 20th, 1870.

		\$	c.	\$	c.
1870					
Sep.	20	Rec'd in paym't from G. Bent Check on Bank of N. B.	700	00	
		His Notes Nos. 6 and 7 @ 3 and 6 mos.	300	00	
		„ Order on Burns & Murray (rem. on acct.)	81	50	
	24	Rec'd payment of Note No. 1 in Cash			105
	25	Paid J. S. Turner on acct., Cash	25	00	
		„ Logan & Lindsay „ „	71	00	
		„ Burns & Murray „ „	76	00	172
	28	Remitted Burns & Murray, Halifax, on acct., a Draft on Halifax, purchased of College Bk. with our Check			500
	29	Rec'd from Black Bros., Halifax, per P. O. Order, Cash			11
		For which we sent them per "Express"—			75
		20 bunches Envelopes	2	00	
		12 doz. B. B. Lead Pencils @ 10c.	6	00	
		15 quires Mourning Paper @ 50c.	3	75	11
					75
	30	Paid house rent for J. C. P. Frazee, per receipt			45
Oct.	1	Received from J. R. Currey & Co., Toronto, to be sold on their acct.—			
		300 bbls. Fine Flour			
		150 „ Apples			
		100 „ Potatoes			
		50 firkins Butter			
		25 bbls. Eggs			
		Paid for Freight on same in Cash			120
					00
	„	Sold J. & A. McMillan—			
		25 doz. School Books @ \$5.25	131	25	
		24 „ Slates 10 x 14 @ 3.20	76	80	
		10 „ Photograph Albums @ 8.50	85	00	
		12 „ Eaton's Commercial Arith. @ 12.00	144	00	
		15 „ Bullion's Grammar @ 6.00	90	00	
		8 „ Fifth Readers @ 4.50	36	00	563
					05
	4	Paid J. C. P. Frazee for his private acct.			80
					00
	6	Sold G. Bent from J. R. Currey and Co.'s consignment—			
		100 bbls. Flour @ \$6.15	615	00	
		50 „ Apples @ 4.00	200	00	
		20 „ Potatoes @ 2.50	50	00	
		10 firkins Butter @ 11.00	110	00	
		5 bbls. Eggs @ 3.60	40	00	1015
					00
		Rec'd in payment, Cash	515	00	
		His Note at 4 mos. for bal.	500	00	

DOUBLE ENTRY DAY BOOK.

ST JOHN, October 10th, 1870.

		\$	c.	\$	c.
1870					
105 00	Oct. 10	Sold J. & J. Hegan—			
		24 quires Foolscap @ \$0.20	4	80	
		2 sets Blank Books for Office @ 20.00	40	00	
		4 reams tinted Note Paper @ 3.15	12	60	
		8 bush. Clover Seed @ 4.00	32	00	
		10 bbls. Dried Apples @ 8.50	85	00	174 40
172 00	" 12	Shipped E. Morrison, Halifax, per str. "Empress," the following Goods, to be sold on our account:—			
500 00		12 cwt. Cheese @ \$9.50	114	00	
11 75		12 firkins Butter @ 10.00	120	00	
		10 bbls. Mess Pork @ 20.00	200	00	
		20 bags Common Salt @ 2.00	40	00	474 00
		Paid Truckage on same in Cash			7 50
11 75	" 15	Sold Jardine & Co. bal. of J. R. Currey & Co.'s cons't—			
45 00		200 bbls. Flour @ \$6.12½	1225	00	
		100 " Apples @ 4.00	400	00	
		80 " Potatoes @ 2.25	180	00	
		20 " Eggs @ 8.10	162	00	
		40 firkins Butter @ 10.90	436	00	2403 00
		Rec'd in payment, Cash	800	00	
		Their Draft @ 30 days on W. O Smith (acct.)	600	00	
		Bal. on acct. at 60 days	1003	00	
20 00	" "	Closed J. R. Currey & Co.'s cons't and rendered them an acct. Sales.			
		Storage	11	40	
		Commission at 2½ per cent. on Sales	85	45	
		J. R. Currey & Co.'s N. P. due per average Nov. 24	3201	15	3298 00
3 05	" 20	Rec'd an acct. Sales of Mdse. shipped E. Morrison, Halifax, to be sold on our acct., N. P., in Cash			521 00
00	" 24	Paid Note No. 5 by Check on College Bank			350 00
	" "	Paid Clerk in full to Oct. 31st, Cash			125 00
00	" 25	Paid Gas Bill to date in Cash			20 80
	" "	Rec'd from Thomas Barnes, Ossekeag, Cash on acct.			80 00

BOOK-KEEPING.

ST JOHN, N.B., October 27th, 1870.

		\$	c.	\$	c.
1870					
Oct.	27	Bought of Magee Brothers on our Note @ 3 mos. Mdse. per Invoice No. 11			875 00
"	28	Paid Lawton & Vassie's Draft at sight on us in favour of Stone Bros.			500 00
"	29	Accepted J. R. Currey & Co's Draft on us @ 20 days for			2000 00
"	30	Cash sales of Mdse. this day			105 27
"	"	Rec'd Cash for Freight from ship "Emma"			750 00
"	31	Paid Rent of Store to date in Cash			200 00
"	"	On taking Stock we find on hand this day—			
			Mdse. valued at	5580	00
			Real Estate valued at	3200	00
			$\frac{1}{4}$ ship "Emma"	4000	00

\$	c.
875	00
500	00
2000	00
105	27
750	00
200	00

REMARKS ON THE JOURNAL.

In this book all the Drs. and Crs. that arise from the transactions recorded in the Day Book are entered in a concise and simple form preparatory to posting into the Ledger. The general principles on which the Drs. and Crs. are determined have been explained under the head of Double Entry. We will here only examine a few of the entries in the Journal on the principles already referred to.

By referring to the Day Book it is seen that when the business was resumed on the first of August, after closing the Single Entry books, certain persons owed us the sums set after their several names. These persons are, of course, all Drs., because they owe us. Their names are all written down, one under another, in the Journal with the sums they severally owe us set opposite. Then, again, a certain portion of our capital was in the species of property called Cash. Cash owed us the value expressed by the figures \$2387.50. Cash is, therefore, Dr., and is written in the same position as the names of persons who are Drs. It is the same with Mdse. A portion of our capital to the amount of \$6500 was in Mdse. Mdse. owed us the sum or value expressed by these figures. It is therefore Dr. For similar reasons the account of Bills Receivable is Dr. for \$105—the part of our capital which we held in notes. This reasoning gives us the first part of Rule 1st for Journalising.

The persons whom we owed at the same time were of course our creditors, and are made Cr. in the Journal for the sums severally due them. We also owed notes to the amount of \$900. These notes, no matter who may hold them, will claim that sum from us when due, and are under the head of Bills Payable, made Cr. also.

The property on hand and the debt due us constitute the

BOOK-KEEPING.

assets; and the debts we owe both on personal accounts and notes make up the liabilities. The rule says to credit the Stock account (which stands for the owner of the business) for the total assets, and debit it for the total liabilities. The assets in this instance amount to \$10,809.70; the liabilities to \$4222.50. It is plain that to credit the Stock account for \$10,809.70, and debit it for \$4222.50, is exactly the same in effect as to only credit it for the difference of these sums, viz., \$6587.20. This is what we have done—in two sums—one for \$3351.10, the amount of A. H. Eaton's net capital, and the other for \$3236.10, the part of the net capital belonging to J. C. P. Frazee.

Another reason for taking this course, instead of strictly following the rule, is this. There are partners in this business who have been carrying it on together for some time, so that the property and debts which make up the assets are held in joint proprietorship, and only the proportional parts of the *net capital* belonging to each partner are ascertained. In a partnership business, a Stock or Capital account must be kept for each partner; and where the books are opened in Double Entry on the formation of the partnership, the rule should be strictly followed for each partner. But where the books are being opened in Double Entry after the business has been conducted for a time, as is the case here, the plan pursued on the opening of this Journal is the best, and, in fact, about the only plan that can safely be pursued. A brief rule to suit this case may be stated as follows:—

Debit each kind of property for the value of it, and each person who owes you, on account for the sum he owes; credit each person whom you owe for what you owe him, Bills Payable for what you owe on notes, and each partner's Stock for his share of the net capital. In other words, debit for the assets, and credit for the liabilities, including among the liabilities the sum due as net capital to each of the partners.

The word "To" in the Journal is always written before the Cr. or Crs. in each entry. The Drs. are all written in a column next the date, the Crs. following them a little to the right, with the word "To" before each, repeated after the first by means of dots or commas, as in the Journal annexed. Care should be taken to write the Drs. and Crs. each in their separate straight column. This arrangement adds much to the appearance of

REMARKS ON JOURNAL.

the book, and makes it easy to readily distinguish a Dr. from a Cr.

Some book-keepers would head the entry of which we have been speaking with the introduction, "Sundries Dr. To Sundries." These words would do no harm further than the room they occupy, and the extra labour in writing them; but they certainly do no good. We never write them. So with regard to the practice of making explanations in the Journal. Unless it is used as a book of original entry, all explanations in it are superfluous, being always found in full in the book from which the Journal is compiled. Let the references to the original books be clear and plain, and no explanations will be needed in the Journal.

The Second Entry :

Mdse.	. . . . .	\$500
To Cash	. . . . .	\$500

means that Mdse. is Dr. and Cash is Cr. for \$500. Mdse. has cost us \$500, which we expect it to return to us, and Cash has furnished us with means to the amount of \$500, which we intend to return. The Day Book entry corresponds with these remarks, from which we draw two general inferences stated in the rules, viz., when Mdse. is bought or comes into the business it is made Dr.; and when money is paid out, Cash is made Cr.

The third entry shows that Cash is Dr. for, or owes us, \$320, and that we owe Mdse. the same sum. Cash owes us, because we have put into that shape \$320 worth of our property, and is to supply us when we need it with that sum. We owe Mdse. for placing us in the position we occupy with regard to Cash. The Day Book says we sold Mdse. for cash. Accordingly, we find in the Rules, that when we sell or part with Mdse. we make it Cr., and that Cash is Dr. when we receive money.

In this manner we might go through all the entries and deduce the Rules for Journalising, commencing on page 60. The above remarks, however, are deemed sufficient, and are addressed more particularly to teachers (who should give verbal explanations to their pupils), and others somewhat advanced in the science.

Let the pupil examine this Journal in connection with the Day Book, entry by entry, applying to the teacher for explana-

BOOK-KEEPING.

tions of such as he does not understand. Then on a separate slip of paper, or a slate, let him, from his own Day Book, make out the Drs. and Crs. in proper form. This should be checked by the teacher, and when found correct, the pupil may copy it into his proper Journal.

RULES FOR JOURNALISING.

RULE I.

On opening the Journal, debit each kind of property on hand of which you intend to keep a separate account for the value of it, and also each person owing you on account for the amount he owes; and credit the Stock account for the total amount of your assets or resources.

If you have any liabilities, debit Stock for the total amount of them, and credit each person you owe on account for what you owe him, and credit Bills Payable for the value of the notes or acceptances held against you.

In cases of partnerships, a Stock account must be opened for each partner, which will be credited for the assets and debited for the liabilities of the respective partners. But the ordinary business transactions will be journalised as if no partnership existed.

RULE II.

Debit the Cash account for all sums of money received, and credit it for all sums of money parted with.

RULE III.

Debit the Merchandise account for the cost of all goods bought, and credit it for the selling price of all your own goods sold or parted with.

RULE IV.

Debit the Bills Receivable account for the face of each note or bill you receive, and credit it for the face of each bill when you part with it.

RULES FOR JOURNALISING.

RULE V.

Credit the Bills Payable account for the face of each of your own notes or acceptances given out, and debit the same account for the same sums when those notes or acceptances are redeemed.

RULE VI.

Debit the Expense account for all expenses connected with your business.

RULE VII.

Debit the Private account, or each partner's private account, for all your, or his, personal expenses.

RULE VIII.

Debit the Interest account for all amounts paid for interest, and credit it for all amounts received for interest.

RULE IX.

Credit the Commission account for all your earnings on Commission.

RULE X.

Debit the Profit and Loss account for all losses, and credit it for all gains.

RULE XI.

Debit Shipment accounts for the cost of the goods shipped and the expense of shipping; and when an account sales is received, credit them for their net proceeds.

RULE XII.

Debit Consignment account for the expenses attending them, for your own charges, and for their net proceeds; and credit them for the total sales.

RULE XIII.

When you accept a draft, debit the drawer, and credit Bills Payable.

BOOK-KEEPING.

RULE XIV.

When you draw a draft, debit the party who receives it from you on account, or what you receive for it if not sold on account; and credit the drawee, that is, the person on whom you draw it.

GENERAL RULE.

Debit what you receive, and credit what you part with.

DIRECTIONS FOR CLOSING.

As soon as the Posting is finished, take a Trial Balance, that is, see that the Drs. and Crs. exactly balance. Then credit the accounts to which inventories belong for the amounts of their respective inventories in red ink, and proceed to take the balances of all the accounts, placing them on the smaller sides, in red ink.

Accounts which have inventories close to or by Profit and Loss, and the balances are transferred to the Profit and Loss account. After the accounts are closed, the inventories are brought down on the Dr. side into a new account and transferred to the Dr. side of the Balance account.

The accounts of Interest, Discount, Expense, Commission, Storage, Shipments, &c., close into the Profit and Loss account.

The Profit and Loss account is closed into the Stock; or if there be partners, the gain or loss is divided according to agreement, and each partner's share entered separately into the Profit and Loss account, and transferred to the respective partners' Stock accounts.

The private account is closed into the Stock; or, in partnerships, each partner's private account is closed into his Stock.

All other accounts including Stock close into the Balance account.

JOURNAL.

ST JOHN, August 1870.

1870				\$	c.	\$	c.
Aug.	1	Magee Brothers	1	498	50		
		Geo. Thomas	2	300	00		
		R. T. Muir	2	250	00		
		J. S. Turner	3	242	25		
		T. R. Jones	4	22	00		
		Duffus & Co.	4	40	00		
		Doull & Miller	5	366	00		
		L. C. Eaton	5	85	45		
		F. S. Sharp	6	63	00		
		Cash	7	2387	50		
		Mdse.	8	6500	00		
		Bills Receivable	9	105	00		
		To Burns & Murray	2			1360	00
		" Daniel & Boyd	3			537	00
		" Logan & Lindsay	4			300	00
		" J. & A. McMillan	5			35	00
		" Lawton & Vassie	6			1080	50
		" Bills Payable	9			900	00
		" A. H. Eaton (Stock acct.)	1			3351	10
		" J. C. P. Frazer (Stock acct.)	1			3236	10
	2	Mdse.	8	500	00		
		To Cash	7			500	00
	"	Cash	7	320	00		
		To Mdse.	8			320	00
	4	Cash	7	491	00		
		To R. T. Muir	2			103	00
		" Magee Brothers	1			160	00
		" Doull & Miller	5			228	00
	"	Bills Rec'ble	9	1263	10		
		To Mdse.	8			1263	10
	6	Thomas Barnes	9	86	23		
		To Mdse.	8			86	23
	7	Mdse.	8	450	00		
		To Cash	7			200	00
		" R. T. Muir	2			250	00

BOOK-KEEPING.

ST JOHN, August 1870.

1870 Aug.					\$	c.	\$	c.
8	T. R. Jones			4	141	00		
	To Mdse.			8			141	00
"	10	Bills Payable		9	200	00		
		To Cash		7			200	00
"	"	Magee Brothers		1	367	50		
		To Mdse.		8			367	50
"	11	Ship "Emma"		10	4000	00		
		To Cash		7			2000	00
		" Bills Payable		9			1500	00
		" Magee Brothers		1			500	00
"	12	Ship "Emma"		10	116	00		
		To Wm. Jack		10			116	00
"	"	Logan & Lindsay		4	35	45		
		To L. C. Eaton		5			35	45
"	"	Cash		7	4000	00		
		To Bills Payable		9			4000	00
"	"	Bills Payable		9	700	00		
		To Cash		7			700	00
"	15	Expense		10	125	00		
		To Cash		7			125	00
"	16	Bills Receivable		9	900	00		
		To Mdse.		8			900	00
"	"	College Bank		10	889	13		
		Discount		10	10	87		
		To Bills Receivable		9			900	00
"	18	Mdse.		8	3050	00		
		To J. S. Turner		3			3000	00
		" Cash		7			50	00
"	19	Lawton & Vassie		6	350	00		
		To Bills Payable		9			350	00
"	20	Wm. Jack		10	116	00		
		To Cash		7			116	00
"	25	Bauld, Gibson, & Co.		11	912	00		
		To Mdse.		8			912	00

JOURNAL.

ST JOHN, August 1870.

		1870							
\$	c.	Aug.		\$	c.	\$	c.	\$	c.
141	00	26	J. & A. McMillan To Mdse.	5	69	20		69	20
		"	27 Geo. Thomas To Mdse.	2	44	00		44	00
200	00	"	28 Bauld, Gibson, & Co. To Mdse.	11	74	46		74	46
367	50	"	30 Daniel & Boyd To Mdse.	3	166	63		166	63
000	00	Sep.	1 Profit and Loss To Mdse.	11	250	00		250	00
500	00	"	" Expense To Cash	10	75	00		75	00
500	00	"	2 Cash To Bauld, Gibson, & Co.	7	800	00		800	00
		"	5 Real Estate To Cash	11	3200	00			
			" Bills Receivable	7			1500	00	
			" T. R. Jones	9			1263	10	
			" Bills Payable	4			86	90	
5	00	"	6 Bills Receivable To Cash	9	816	00		800	00
		"	" Interest	7			16	00	
		"	8 Burns & Murray To Mdse.	11			630	00	
00		"	9 Magee Brothers To Mdse.	2	630	00		630	00
		"	12 College Bank To Cash	8	160	38		160	38
00		"	13 Cash To Geo. Thomas	1	1500	00		1500	00
00		"	15 F. S. Sharp To Mdse.	10	35	00		35	00
00		"	" A. H. Eaton (Private acct.) To Cash	7	52	50		52	50
00		"	"	8					
		"	"	11	150	00		150	00
				7					

ST JOHN, September 1870.

1870					\$	c.	\$	c.
Sep.	17	Cash		7	26	89		
		To Mdse.		8			26	80
"	20	Cash		7	700	00		
		Bills Receivable		9	300	00		
		Burns & Murray		2	81	50		
		To Mdse.		8			1081	50
"	24	Cash		7	105	00		
		To Bills Receivable		9			105	00
"	25	J. S. Turner		3	25	00		
		Logan & Lindsay		4	71	00		
		Burns & Murray		2	76	00		
		To Cash		7			172	00
"	28	Burns & Murray		2	500	00		
		To College Bank		10			500	00
"	29	Cash		7	11	75		
		To Mdse.		8			11	75
"	30	J. C. P. Frazee (Private acct.)		12	45	00		
		To Cash		7			45	00
Oct.	1	J. R. Currey & Co.'s cons't		12	120	00		
		To Cash		7			120	00
"	"	J. & A. McMillan		5	563	05		
		To Mdse.		3			563	05
"	4	J. C. P. Frazee (Private acct.)		12	80	00		
		To Cash		7			80	00
"	6	Cash		7	515	00		
		Bills Receivable		9	500	00		
		To J. R. Currey & Co.'s cons't		12			1015	00
"	10	J. & J. Hegan.		12	174	40		
		To Mdse.		8			174	40
"	12	Shipment to Halifax		12	481	50		
		To Mdse.		8			474	00
		„ Cash		7			7	50
"	15	Cash		7	800	00		
		Bills Receivable		9	600	00		
		Jardine & Co.		12	1003	00		
		To J. R. Currey & Co.'s cons't		12			2403	00

JOURNAL.

ST JOHN, October 1870.

\$	c.	1870			\$	c.	\$	c.
26	80	Oct.	16	J. R. Currey & Co.'s cons't				
				To Storage	12		3298	00
				„ Commission	12			11 40
				„ J. R. Currey & Co.	13			85 45
								3201 15
1081	50		20	Cash	7	521	00	
				To Shipment to Halifax	12			521 00
105	00		24	Bills Payable	9	350	00	
				To College Bank	10			350 00
			”	Expense	10	125	00	
				To Cash	7			125 00
172	00		25	Expense	10	20	80	
				To Cash	7			20 80
500	00		”	Cash	7	80	00	
				To Thomas Barnes	9			80 00
11	75		27	Mdse.	8	875	00	
				To Bills Payable	9			875 00
45	00		28	Lawton & Vassie	6	500	00	
				To Cash	7			500 00
20	00		29	J. R. Currey & Co.	13	2000	00	
				To Bills Payable	9			2000 00
63	05		30	Cash	7	105	27	
				To Mdse.	8			105 27
80	00		”	Cash	7	750	00	
				To ship "Emma"	10			750 00
15	00		31	Expense	10	200	00	
				To Cash	7			200 00

REMARKS ON THE LEDGER.

THE following Ledger is in the form generally used by merchants, whether for Single or Double Entry. In business, a page is usually allowed for an account. It is divided into two parts by a vertical double line, the left being the Dr. side, and the right the Cr.—the two making what is called a folio. When the name of an account is made Dr. or Cr. in the Day Book or Journal, it is in order that the sum for which it is made Dr. or Cr. may be placed on the proper side of the same account in the Ledger. This writing into the Ledger is called *posting*, and should be done as soon after the entries are prepared in the Day Book in Single Entry, or in the Journal in Double Entry, as circumstances will allow.

The first entry posted is that in which A. H. Eaton is made Cr. for his net capital at the beginning of the business. Turn to the Ledger and see how it is entered there. The account is headed "A. H. Eaton (Stock acct.," which should be written in a large, plain hand, so as to be conspicuous and easily read. The words "Stock acct.," in brackets, show that the person is an owner or partner in the business. To the left is written Dr., and to the right Cr. The sum for which A. H. Eaton is made Cr. in the Day Book is set in the money columns on the Cr. side of his account, and before it the date in the columns for that purpose, and in the broad space between are written the words "By his net capital," which explain as briefly as possible what he is Cr. for. The page of the Day Book from which the entry is brought is then placed in the narrow column in front of the money columns, and the folio of the Ledger in the corresponding column in the Day Book. This at once shows that the entry has been posted, and where in the Ledger the account is found. The other entries are all posted in a similar manner—the Crs. on the right hand side, and the Drs. on the left.

REMARKS ON THE LEDGER.

In the posting of the entry of May 12th, Logan & Lindsay are said to be Cr. "By Mdse.," because the word Mdse. expresses the kind of value we received from them at that time; but in the debit entry they are said to be Dr. "To Sundries," because the \$1200 for which they are debited is made up of the values of different kinds of property. See remarks on this word on page 23.

The pupil must not copy the Ledger, nor use the printed copy, while posting. He should post independently from his own Day Book, after having examined the posting here given, and had the manner of doing it explained to him.

After the Day Book has been thus posted, a trial balance or proof sheet should be taken to prove the posting correct. This is done as follows:—

Add up the Dr. and Cr. columns of each page of the Day Book, and ascertain the total sum of the Drs., and also that of the Crs., and subtract the less from the greater. The difference must be exactly the same as that found to exist between the total Drs. and the total Crs. as ascertained from the Ledger. A good form for getting out the Trial Balance is exhibited on page 102.

If this plan be followed, the posting in Single Entry is as well proved as it can be in Double Entry. By adding up each page of the Day Book as he goes along, the book-keeper will be able to get the difference from the Day Book without much extra labour or time. The accounts in the Ledger, too, have to be added at the general time of balancing, making out bills, &c., and the additional labour required to ascertain the difference between the Drs. and Crs. is not so great as at first sight might be supposed. The only occasion on which much trouble would be experienced would be in case the results from the two books would not agree. This would show an error somewhere, which must be searched out and corrected, if the book-keeper would have his work correct. It is in order that errors may not go undetected that the plan above referred to is recommended.

After the Trial Balance has proved the posting correct, the pupil may complete the Balance Sheet on page 102, and then proceed to close the Ledger by balancing all the accounts. To balance an account is to make the two sides equal by writing the difference on the smaller side. Then rule, with red ink,

BOOK-KEEPING.

under the longer column of figures, and on the same horizontal line on the other side, short single lines, called footing lines, and place the sums beneath. Under these, rule double lines, called closing lines, as is done in the Ledger here given. The balances, with the date of balancing, and the words "To" or "By Balance," should be written with red ink to make them more conspicuous. When the account is closed the balance is brought down on the opposite side into a new account. The account is then opened for the posting of the succeeding business.

The partners' Stock accounts are not closed till after the gain or loss is ascertained, and must be credited for the net gain, or debited for the net loss before they are closed. They are then closed exactly as the other accounts are. The balances of the Stock accounts, entered with the liabilities, will make them exactly equal to the assets.

horizontal
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them

DOUBLE ENTRY POSTING.

AFTER the pupil has journalised his Day Book properly, he will proceed to post the Journal to the Ledger. Most of the items of the first Journal Entry he will find already in his Ledger, being the balances brought down from the Single Entry accounts. He has only to mark in the Journal the folios of the accounts in which these items are found.

The sum for which Cash is made Dr. is the first to be posted. As no cash account was used in Single Entry, he will open one, and on the Dr. side of it write the date, Aug. 1st, 1870, with the words "To Sundries," and place the sum \$2387.50 in the money columns. The word "Sundries" refers to the several Crs. in the same Journal Entry. An account for Mdse., and one for Bills Receivable, will also be opened, and the sums for which they are made Dr. in the Journal posted in the same manner.

Of the Crs. in the first entry all are already in the Ledger except Bills Payable. Open an account for them, and on the Cr. side write the date, with the words "By Sundries," and the sum \$900 in the money columns. The word "Sundries" refers to the several Drs. in the same entry.

To post the second Journal Entry, turn to the Mdse. account, and on the Dr. side, after inserting the date, write "To Cash," and set the \$500 in the money columns. Then turn to the Cash account, and on the Cr. side, after the date, write "By Mdse.," placing the sum, as before, in the money columns.

In the first Journal Entry of August 4th, there are one Dr. and several Crs. On the Dr. side of the Cash account, write "To Sundries" \$491, and on the Cr. side of each of the other accounts, write "By Cash," and carry out in R. T. Muir's account \$103, in Magee Brothers' account \$160, and in Doull

BOOK-KEEPING.

& Miller's account \$228; in every case marking the page of the Journal in the Ledger, and the folio of the Ledger in the Journal.

It may here be explained that the word "Sundries" used in the Ledger in Double Entry Book-keeping, always means several accounts, and not several things or articles, as in Single Entry.

Double Entry posting, if done correctly, places as much on one side of the Ledger as on the other, and must be proved by taking a

TRIAL BALANCE.

To do this, write the names of all the accounts, except those the two sides of which are equal, one under the other, on a loose piece of paper or a slate, and opposite each the sums of both the Dr. and Cr. sides, found by adding in the Ledger; then add up both columns, and if the posting has been done correctly, the sums will be exactly equal. If they be not, search must be made for errors, which when found must be corrected, and the Trial Balance successfully made. If many errors be found in the posting, the pupil must post it again and again, if needful. It is better to spend some time, and use a good deal of paper, than to quit the subject without having acquired the ability, or rather habit, of working correctly.

The Balance Sheet, according to the plan shown at the end of the "Additional Set for Practice," may now be drawn out or omitted at the discretion of the teacher.

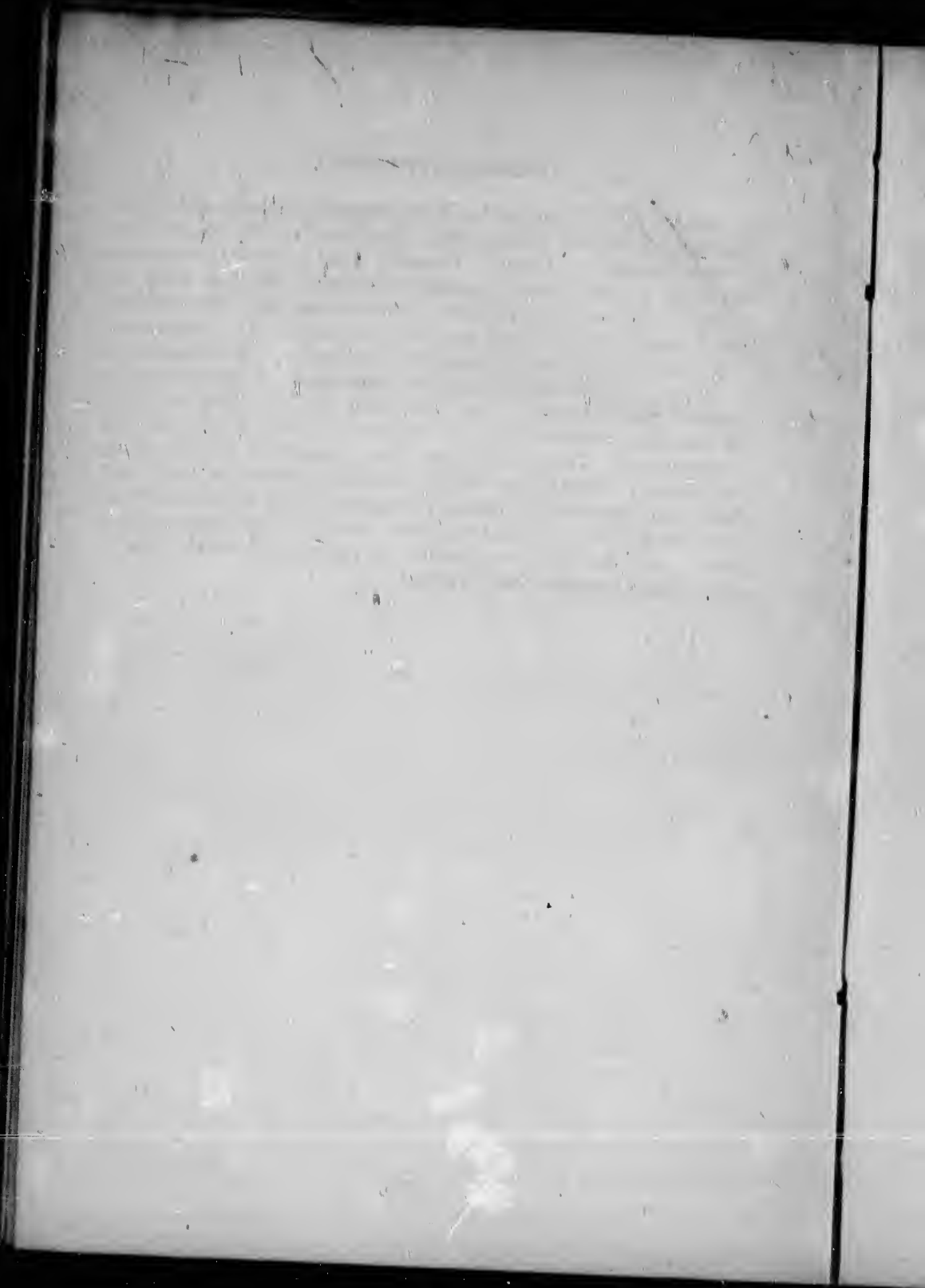
CLOSING THE LEDGER.

When the Trial Balance has proved the posting correct, and not till then, proceed to close the Ledger in the following order.

Enter the Inventories into their respective accounts, on the Cr. side, with red ink, viz., the value of the Mdse. on hand into the Mdse. account, the value of the Real Estate into the Real Estate account, and the value of your share of the ship "Emma" into the ship "Emma" account. Then close all the personal

DOUBLE ENTRY POSTING.

accounts, Bills Receivable, Bills Payable, Cash, and Bank accounts (omitting the partners' Stock accts.) into the Balance account, which must now be opened. That is, enter the balances of those accounts on the smaller sides with red ink, with the words "To" or "By Balance;" add up and close the accounts as in Single Entry; and transfer the balance of each to the opposite side of the Balance acct., writing before it the words "To" or "By," with the name of the account from which the balance was brought. As you come to the accounts with Inventories, transfer the Inventories to the Dr. side of the Balance acct. Then close all the other accounts (still omitting the Stock accounts) into Profit and Loss; then the Profit and Loss into the partners' Stocks; and, lastly, the Stock accounts into the Balance. If the accounts have all been balanced correctly, and the balances transferred properly, the two sides of the Balance account will be equal.



INDEX TO THE LEDGER.

THE following Index is arranged on the usual plan. In business a page and sometimes two pages are allowed for each letter. It is inserted here in order that the pupil may become familiar with its form and use.

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C

Dan
Duf
Dou
Disc

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T

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V
W
X
Y
Z

LEDGER.

1

DR.		A. H. EATON (Stock acct.)				CR.			
1870			\$	c.	1870		\$	c.	
May 31	To Cash.....	2	60	00	May 1	By his Net Capital...	1	3500	00
July 31	„ Net Loss		88	90					
„	„ Balance.....f.	6	3351	10					
			3500	00				3500	00
Oct. 31	To A. H. E. (pr. ac.) f.	11	150	00	Aug. 1	By Balance		3351	10
„	„ Balance..... „	13	4230	33	Oct. 31	„ Profit & Loss....f.	11	1029	23
					Nov. 1	By Balance.....		4230	33

DR.		J. C. P. FRAZEE (Stock acct.)				CR.			
1870			\$	c.	1870		\$	c.	
May 31	To Cash	2	75	00	May 1	By his Net Capital...	1	3400	00
July 31	„ Net Loss.....		88	90					
„	„ Balance.....f.	6	3236	10					
			3400	00				3400	00
Oct. 31	To J. C. P. F. (pr. ac.) f.	12	125	00	Aug. 1	By Balance		3236	10
„	„ Balance..... „	13	4140	32	Oct. 31	„ Profit & Loss....f.	11	1029	22
					Nov. 1	By Balance		4140	32

DR.		MAGEE BROTHERS.				CR.			
1870			\$	c.	1870		\$	c.	
May 1	To Balance due.....	1	400	00	May 28	By Cash	2	250	00
June 21	„ Mdse.....	3	153	50	June 21	„ their Note.....	3	105	00
July 15	„ Cash.....	5	300	00	July 31	„ Balance.....f.	6	498	50
			853	50				853	50
Aug. 1	To Balance		498	50	Aug. 4	By Cash.....	1	160	00
„ 10	„ Mdse.....	2	367	50	„ 11	„ Ship "Emma"...	2	500	00
Sep. 9	„ „	3	160	38	Oct. 31	„ Balance.....f.	13	366	38
			1026	38				1026	38
Nov. 1	To Balance		366	38					

BOOK-KEEPING.

DR.		GEO. THOMAS.		CR.			
1870 May 1	To Balance due.....	1	\$ 500 00	1870 June 5	By Cash.....	3	\$ 200 00
				July 31	„ Balance.....f.	6	300 00
			500 00				500 00
Aug. 1	To Balance		300 00	Sep. 13	By Cash.....	3	35 00
„ 27	„ Mdse.....	3	44 00	Oct. 31	„ Balance.....f.	13	309 00
			344 00				344 00
Nov. 1	To Balance.....		309 00				

DR.		R. T. MUIR.		CR.			
1870 May 1	To Balance due.....	1	\$ 400 00	1870 June 24	By our Draft.....	4	\$ 150 00
				July 31	„ Balance.....f.	6	250 00
			400 00				400 00
Aug. 1	To Balance		250 00	Aug. 4	By Cash	1	103 00
Oct. 31	„ Balance.....f.	13	103 00	„ 7	„ Mdse.....	1	250 00
			353 00				353 00
				Nov. 1	By Balance		103 00

DR.		BURNS & MURRAY.		CR.			
1870 May 1	To Balance due.....	1	\$ 500 00	1870 June 1	By Cash.....	3	\$ 108 40
June 1	„ Mdse.....	3	208 40	„ 24	„ Sundries	4	160 00
July 31	„ Balance	f. 6	1360 00	July 20	„ Mdse.....	5	1800 00
			2068 40				2068 40
Sep. 8	To Mdse.....	3	630 00	Aug. 1	By Balance		1360 00
„ 20	„ „	4	81 50				
„ 25	„ Cash.....	4	76 00				
„ 28	„ College Bank.....	4	500 00				
Oct. 31	„ Balance	13	72 50				
			1360 00				1360 00
				Nov. 1	By Balance		72 50

LEDGER.

Cr.

\$	c.
200	00
300	00
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500	00
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35	00
309	00
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344	00

Dr.		J. HUNT.		Cr.	
1870		\$	c.	1870	
May 10	To Mdse.....	2	65 00	May 5	By his Bill for work
June 20	„ Cash.....	3	20 00	1	\$ c.
			85 00		85 00

Cr.

\$	c.
150	00
150	00
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100	00
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03	00
50	00
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53	00
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03	00

Dr.		J. S. TURNER.		Cr.	
1870		\$	c.	1870	
May 5	To Mdse.....	1	140 00	May 5	By Cash.....
June 15	„ Order on L. C. E.	3	82 25	5	80 00
July 8	„ Mdse.....	6	268 00	July 8	„ „
			490 25	„ 31	„ Balance.....f.
				6	242 25
					490 25
Aug. 1	To Balance		242 25	Aug. 18	By Sundries.....
Sep. 25	„ Cash.....	4	25 00	2	3000 00
Oct. 31	„ Balance	f. 13	2732 75		
			3000 00		
					3000 00
				Nov. 1	By Balance.....
					2732 75

Cr.

c.	
84	
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00	
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25	

Dr.		DANIEL & BOYD.		Cr.	
1870		\$	c.	1870	
May 8	To Cash.....	2	1500 00	May 8	By Mdse.....
June 5	„ „	3	400 00	2	2000 00
July 12	„ „	5	313 00	July 1	„ „
„ 31	„ Balance	6	537 00	4	750 00
			2750 00		
					2750 00
Aug. 30	To Mdse.....	3	166 63	Aug. 1	By Balance.....
Oct. 31	„ Balance	13	370 37		537 00
			537 00		
					537 00
				Nov. 1	By Balance.....
					370 37

BOOK-KEEPING.

DR.		LOGAN & LINDSAY.		CR.	
1870			\$ c.	1870	
May 12	To Sundries.....	2	1200 00	May 12	By Mdse.....
June 30	„ Cash.....	4	300 00	2	\$ c.
July 31	„ Balance.....f.	6	300 00		1800 00
			1800 00		
Aug. 12	To L. C. Eaton.....	2	35 45	Aug. 1	By Balance.....
Sep. 25	„ Cash.....	4	71 00		300 00
Oct. 31	„ Balance.....f.	13	193 55		
			300 00		300 00
				Nov. 1	By Balance.....
					193 55

DR.		T. R. JONES.		CR.	
1870			\$ c.	1870	
May 15	To Mdse.....	2	52 00	June 24	By Mdse.....
June 24	„ Sundries.....	4	350 00	4	\$ c.
July 5	„ Mdse.....	4	140 40	July 5	„ Cash.....
			542 40	„ 31	„ Balance.....
				6	22 00
					542 40
Aug. 1	To Balance.....		22 00	Sep. 5	By Real Estate.....
„ 8	„ Mdse.....	2	141 00	3	86 90
			163 00	Oct. 31	„ Balance.....
				13	76 10
					163 00
Nov. 1	To Balance.....		76 10		

DR.		DUFFUS & CO.		CR.	
1870			\$ c.	1870	
May 20	To Mdse.....	2	308 00	May 20	By Sundries.....
				2	\$ c.
				July 31	„ Balance.....
			308 00	6	268 00
					40 00
					308 00
Aug. 1	To Balance.....		40 00		

LEDGER.

5

CR.	
\$	c.
2	1800 00
<hr/>	
	1800 00
<hr/>	
	300 00
<hr/>	
	300 00
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	198 55

DR. DOULL & MILLER. CR.

1870									
May 25	To Puffus & Co.'s ord.	2	\$	c.	1870	July 31	By Balance.....f.	6	\$ c.
June 20	„ Mdse.....	3	88 00						366 00
			278 00						
			366 00						366 00
<hr/>									
Aug. 1	To Balance		366 00		Aug. 4	By Cash.....		1	228 00
					Oct. 31	„ Balance.....f.		13	138 00
			366 00						366 00
<hr/>									
Nov. 1	To Balance		138 00						

CR.	
\$	c.
400	00
120	40
22	00
<hr/>	
542	40
<hr/>	
86	90
76	10
<hr/>	
163	00

Dr. L. C. EATON. CR.

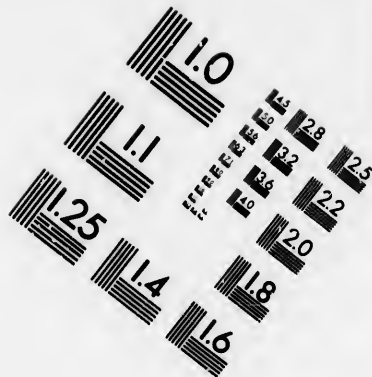
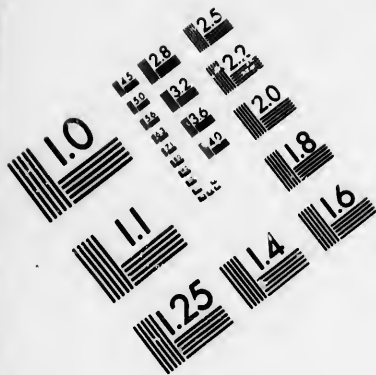
1870									
May 25	To Mdse.....	2	\$	c.	1870	June 15	By our or. fav. J.S. T.	3	\$ c.
July 10	„ „	5	12 25			July 31	„ Balance.....f.	6	82 25
			105 45						35 45
			117 70						117 70
<hr/>									
Aug. 1	To Balance		35 45		Aug. 12	By Logan & Lindsay		2	35 45

CR.	
\$	c.
68	00
40	00
<hr/>	
08	00

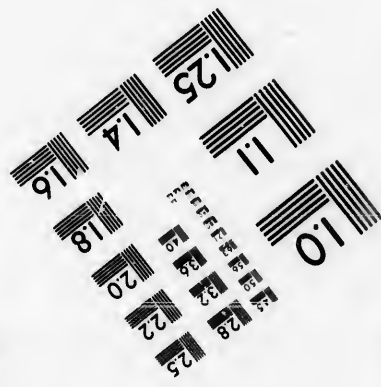
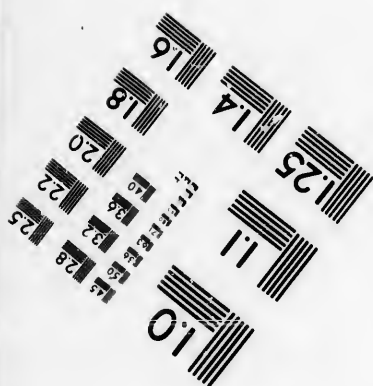
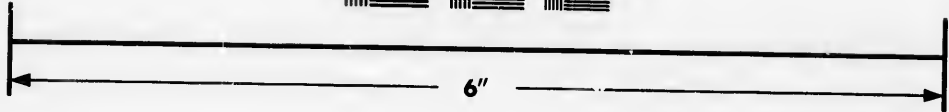
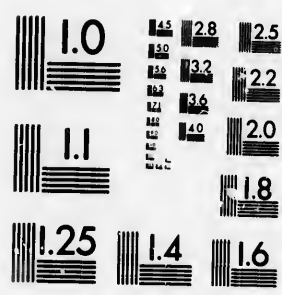
Dr. J. & A. McMILLAN. CR.

1870									
June 8	To our Note.....	3	\$	c.	1870	June 8	By Mdse.....	3	\$ c.
July 31	„ Balance.....f.	6	200 00						235 00
			35 00						
			235 00						235 00
<hr/>									
Aug. 26	To Mdse.....	3	69 20		Aug. 1	By Balance			35 00
Oct. 1	„ „	4	563 05		Oct. 31	„ Balance.....f.		13	597 25
			632 25						632 25
<hr/>									
Nov. 1	To Balance		597 25						





**IMAGE EVALUATION
TEST TARGET (MT-3)**



**Photographic
Sciences
Corporation**

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WEBSTER, N.Y. 14580
(716) 872-4503



BOOK-KEEPING.

DR.		LAWTON & VASSIE.		CR.	
1870				1870	
June 10	To Mdse.....	3	\$ 5 30	June 28	By Cash.....
28	" " 	4	545 00	July 25	" Mdse.....
July 31	" Balance.....	f. 6	1090 50		
			1640 80		
					1640 80
Aug. 19	To Bills Payable.....	2	350 00	Aug. 1	By Balance.....
Oct. 28	" Cash.....	5	500 00		
31	" Balance.....	13	240 50		
			1090 50		1090 50
				Nov. 1	By Balance.....
					240 50

DR.		F. S. SHARP.		CR.	
1870				1870	
July 1	To Mdse.....	4	\$ 163 00	July 6	By Cash.....
				31	" Balance.....
			163 00		
					163 00
Aug. 1	To Balance		63 00	Oct. 31	By Balance
Sep. 15	" Mdse.....	3	52 50		
			115 50		115 50
					115 50
Nov. 1	To Balance		115 50		

ASSETS.		BALANCE, July 31st, 1870.		LIABILITIES.			
FOL.		\$	c.	FOL.	\$	c.	
1	Magee Brothers.....	498	50	2	Burns & Murray.....	1360	00
2	Geo. Thomas.....	300	00	3	Daniel & Boyd.....	537	00
3	R. T. Muir.....	250	00	4	Logan & Lindsay.....	300	00
4	J. S. Turner.....	242	25	5	J. & A. McMillan.....	35	00
5	T. R. Jones.....	22	00	6	Lawton & Vassie	1090	50
6	Duffus & Co.....	40	00		Bills Payable per B. B.	900	00
	5 Doull & Miller.....	366	00		1 A. H. Eaton (Stock ac.)	3351	10
	6 L. C. Eaton.....	35	45		1 J. C. P. Frazee do.	3236	10
	6 F. S. Sharp.....	63	00				
	Cash per C. B.	2337	50				
	Mdse. per Inventory..	65	30				
	Bills Rec'ble per B. B.	105	00				
		10809	70			10809	70

LEDGER

7

DR.

CASH.

CR.

1870		\$	c.	1870		\$	c.		
Aug. 1	To Sundries.....	1	2387	50	Aug. 2	By Mdse.....	1	500	00
" 2	" Mdse.....	1	320	00	" 7	" " Payable.....	1	200	00
" 4	" Sundries.....	1	491	00	" 10	" Bills Payable.....	2	2000	00
" 12	" Bills Payable.....	2	4000	00	" 11	" Ship "Emma".....	2	2000	00
Sep. 2	" Bauld, Gib. & Co.	3	800	00	" 12	" Bills Payable.....	2	700	00
" 13	" Geo. Thomas.....	3	35	00	" 15	" Expense.....	2	125	00
" 17	" Mdse.....	4	26	80	" 18	" Sundries.....	2	50	00
" 20	" ".....	4	700	00	" 20	" Wm. Jack.....	2	116	00
" 24	" Bills Rec'ble.....	4	105	00	Sep. 1	" Expense.....	3	75	00
" 29	" Mdse.....	4	11	75	" 5	" Real Estate.....	3	1500	00
Oct. 6	" J.R.C.&Co.'s con.	4	515	00	" 6	" Bills Rec'ble.....	3	800	00
" 15	" ".....	4	809	00	" 12	" College Bank.....	3	1500	00
" 20	" Ship't to Halifax	5	521	00	" 15	" A. H. E. (Pr. ac.)	3	150	00
" 25	" Thomas Barnes..	5	80	00	" 25	" Sundries.....	4	172	00
" 30	" Mdse.....	5	105	27	" 30	" J.C.P.F. (Pr. ac.)	4	45	00
" "	" Ship "Emma".....	5	750	00	Oct. 1	" J.R.C.&Co.'s con.	4	120	00
					" 4	" J. C. P. F. (Pr. ac.)	4	80	00
					" 12	" Ship't to Halifax	4	7	50
					" 24	" Expense.....	5	125	00
					" 25	" ".....	5	20	80
					" 28	" Lawton & Vassie	5	500	00
					" 31	" Expense.....	5	200	00
					" "	" Balance.....		2462	02
			11648	32				11648	32
Nov. 1	To Balance.....		2462	02					

Cr.	\$	c.
4	500	00
5	1140	80
	1640	80

1090	50
1090	50
240	50

Cr.	\$	c.
	100	00
	63	00
	163	00
	115	50
	115	50

ITIES.	\$	c.
	1360	00
	537	00
	300	00
	35	00
	1090	50
	900	00
	3351	10
	2236	10
	809	70

LEDGER.

9

CR.	
\$	c.
320	00
1263	10
86	23
141	00
367	50
900	00
912	00
69	20
44	00
74	48
166	63
250	00
630	00
160	38
52	50
28	80
081	50
11	75
563	05
174	40
474	00
105	27
580	00
153	77

DR.		BILLS RECEIVABLE.				CR.			
1870			\$	c.	1870		\$	c.	
Aug. 1	To Sundries.....	1	165	00	Aug. 16	By Sundries.....	2	900	00
" 4	" Mdse.....	1	1263	10	Sep. 5	" Real Estate.....	3	1263	10
" 16	" ".....	2	900	00	" 24	" Cash.....	4	105	00
Sep. 6	" Sundries.....	3	816	00	Oct. 31	" Balance.....f.	13	2216	00
" 20	" Mdse.....	4	300	00					
Oct. 6	" J.R.C.&Co.'s c'nt	4	500	00					
" 15	" " " "	4	600	00					
			4484	10				4484	10
Nov. 1	To Balance		2216	00					

DR.		BILLS PAYABLE.				CR.			
1870			\$	c.	1870		\$	c.	
Aug. 10	To Cash.....	2	200	00	Aug. 1	By Sundries	1	900	00
" 12	" ".....	2	700	00	" 11	" Ship "Emma"....	2	1500	00
Oct. 24	" College Bank.....	5	350	00	" 12	" Cash.....	2	4000	00
" 31	" Balance.....	13	8725	00	" 19	" Lawton & Vassie	2	350	00
					Sep. 5	" Real Estate.....	3	350	00
					Oct. 27	" Mdse.....	5	875	00
					" 29	" J. R. Currey & Co.	5	2000	00
			9975	00				9975	00
					Nov. 1	By Balance.....		8725	00

DR.		THOMAS BARNES.				CR.			
1870			\$	c.	1870		\$	c.	
Aug. 6	To Mdse.....	1	86	23	Oct. 25	By Cash.....	5	80	00
					" 31	" Balance.....f.	13	6	23
			86	23				86	23
Nov. 1	To Balance		6	23					

BOOK-KEEPING.

DR.		SHIP "EMMA."		CR.		
1870		\$	c.	1870	\$	c.
Aug. 11	To Sundries.....	2	4000 00	Oct. 30	By Cash.....	5 750 00
" 12	" Wm. Jack.....	2	116 00	" 31	" Bal. (Invent'y) f.	13 4000 00
Oct. 31	" Profit & Loss...f.	11	684 00			
			4750 00			4750 00
Nov. 1	To Balance.....		4000 00			

DR.		WM. JACK.		CR.		
1870		\$	c.	1870	\$	c.
Aug. 20	To Cash.....	2	116 00	Aug. 12	By Ship "Emma"...	2 116 00

DR.		EXPENSE.		CR.		
1870		\$	c.	1870	\$	c.
Aug. 15	To Cash.....	2	125 00	Oct. 31	By Profit & Loss...f.	11 545 80
Sep. 1	" ".....	3	75 00			
Oct. 24	" ".....	5	125 00			
" 25	" ".....	5	20 80			
" 31	" ".....	5	200 00			
			545 80			545 80

DR.		COLLEGE BANK.		CR.		
1870		\$	c.	1870	\$	c.
Aug. 16	To Bills Rec'ble.....	2	889 13	Sep. 28	By Burns & Murray	4 500 00
Sep. 12	" Cash.....	3	1500 00	Oct. 24	" Bills Payable.....	5 350 00
				" 31	" Balance.....f.	13 1539 13
			2389 13			2389 13
Nov. 1	To Balance.....		1539 13			

DR.		DISCOUNT.		CR.		
1870		\$	c.	1870	\$	c.
Aug. 16	To Bills Rec'ble.....	2	10 87	Oct. 31	By Profit & Loss...f.	11 10 87

LEDGER.

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DR. BAULD, GIBSON, & CO. CR.

1870		\$ c.		1870		\$ c.	
Aug. 25	To Mdse.....	2	912 00	Sep. 2	By Cash.....	3	800 00
" 28	" "	3	74 46	Oct. 31	" Balance.....	f. 13	186 46
			986 46				986 46
Nov. 1	To Balance		186 46				

DR. PROFIT & LOSS. CR.

1870		\$ c.		1870		\$ c.	
Sep. 1	To Mdse.....	3	250 00	Oct. 31	By ship "Emma".....	f. 10	634 00
Oct. 31	" Expense.....	f. 10	545 80	" "	" Interest.....	f. 11	16 00
" "	" Discount.....	f. 11	10 87	" "	" Ship't to Hx.	f. 12	39 50
" "	" A.H.E.(Stk.ac.)	f. 1	1029 23	" "	" Storage	f. 12	11 40
" "	" J.C.P.F., " f.	1	1029 22	" "	" Commission.....	f. 13	85 45
			2865 12	" "	" Mdse.....	f. 8	2078 77
							2865 12

DR. REAL ESTATE. CR.

1870		\$ c.	
Sep. 5	To Sundries.....	3	3200 00

DR. INTEREST. CR.

1870		\$ c.		1870		\$ c.	
Oct. 31	To Profit & Loss...f.	11	16 00	Sep. 6	By Bills Rec'ble.....	3	16 00

DR. A. H. EATON (Private acct.) CR.

1870		\$ c.		1870		\$ c.	
Sep. 15	To Cash	3	150 00	Oct. 31	By A.H.E.(Stk.ac.)	f. 1	150 00

BOOK-KEEPING.

DR.				J. C. P. FRAZEE (<i>Private acct.</i>)				CR.			
1870				\$	c.	1870		\$	c.		
Sep. 30	To Cash.....	4		45	00	Oct. 31	By J. C. P. F. (Sk. ac.)	1	125	00	
Oct. 4	" "	4		80	00						
				125	00					125	00

DR.				J. R. CURREY & CO.'S <i>Const.</i>				CR.			
1870				\$	c.	1870		\$	c.		
Oct. 1	To Cash.....	4		120	00	Oct. 6	By Sundries.....	4	1015	00	
" 16	" Sundries.....	5		3298	00	" 15	" "	4	2408	00	
				3418	00					3418	00

DR.				J. & J. HEGAN.				CR.			
1870				\$	c.						
Oct. 10	To Mdse.....	4		174	40						

DR.				SHIPMENT TO HALIFAX.				CR.			
1870				\$	c.	1870		\$	c.		
Oct. 12	To Sundries.....	4		481	50	Oct. 20	By Cash.....	5	521	00	
" 31	" Profit & Loss...f.	11		39	50						
				521	00					521	00

DR.				JARDINE & CO.				CR.			
1870				\$	c.						
Oct. 15	To J. R. C. & Co.'s con.	4		1003	00						

DR.				STORAGE.				CR.			
1870				\$	c.	1870		\$	c.		
Oct. 31	To Profit & Loss...f.	11		11	40	Oct. 16	By J. R. C. & Co.'s con.	5	11	40	

LEDGER.

Cr.
\$ c.
125 00
125 00

DR.		COMMISSION.		Cr.	
1870		\$ c.	1870		\$ c.
Oct. 31	To Profit & Loss... f. 11	85 45	Oct. 16	By J. R. C. & Co.'s con. 5	85 45

Cr.
\$ c.
015 00
403 00
418 00

DR.		J. R. CURREY & CO.		Cr.	
1870		\$ c.	1870		\$ c.
Oct. 29	To Bills Payable..... 5	2000 00	Oct. 16	By J. R. C. & Co.'s con. 5	3201 15
" 31	" Balance..... f. 13	1201 15			
		3201 15			3201 15
			Nov. 1	By Balance.....	1201 15

Cr.
\$ c.
21 00
21 00

DR.		BALANCE.		Cr.	
1870		\$ c.	1870		\$ c.
Oct. 31	To Magee Bros. ... f. 1	366 88	Oct. 31	By R. T. Muir..... f. 2	108 00
" "	" Geo. Thomas ... f. 2	309 00	" "	" Burns & M..... f. 2	72 50
" "	" T. R. Jones..... f. 4	76 10	" "	" J. S. Turner.... f. 3	2782 75
" "	" Duffus & Co. ... f. 4	40 00	" "	" Daniel & Boyd.. f. 3	370 87
" "	" Doull & Miller.. f. 5	138 00	" "	" Logan & L..... f. 4	193 55
" "	" J. & A. McM... f. 5	597 25	" "	" Lawton & V.... f. 6	240 50
" "	" F. S. Sharp..... f. 6	115 50	" "	" Bills Payable... f. 9	8725 00
" "	" Bills Rec'ble... f. 9	2216 00	" "	" J. R. C. & Co... f. 13	1201 15
" "	" Thomas Barnes f. 9	623	" "	" A. H. E. (Sk. ac.) f. 1	4230 33
" "	" Ship "Emma" f. 10	4000 00	" "	" J. C. P. F. " f. 1	4140 32
" "	" College Bank... f. 10	1539 13			
" "	" R., Gib. & Co... f. 11	186 46			
" "	" Real Estate..... f. 11	3200 00			
" "	" J. & J. Hegan... f. 12	174 40			
" "	" Jardine & Co... f. 12	1003 00			
" "	" Cash..... f. 7	2462 02			
" "	" Mdse..... f. 8	5580 00			
		23009 47			22009 47

Cr.
\$ c.
21 00
21 00

R.
c.
1.140

BOOK-KEEPING.

BALANCE SHEET,

TRIAL BALANCE.

		BALANCE OF DAY BOOK.	DR.		CR.	
Page			\$	c.	\$	c.
"	1					
"	2					
"	3					
"	4					
"	5					
		Balance	8270	30		
			17402	85	17402	85
		BALANCE OF LEDGER.				
Folio	1	Magee Brothers	853	50	355	00
		Geo. Thomas	500	00	200	00
		R. T. Muir	400	00	150	00
		Burns & Murray	708	40	2088	40
		J. S. Turner	490	25	248	00
		Daniel & Boyd	2213	00	2750	00
		Logan & Lindsay	1500	00	1800	00
		T. R. Jones	542	40	520	40
		Duffus & Co.	308	00	268	00
		Doull & Miller	366	00		
		L. C. Eaton	117	70	82	25
		J. & A. McMillan	200	00	235	00
		Lawton & Vassie	550	30	1640	80
		F. S. Sharp	163	00	100	00
		A. H. Eaton (Stock acct.)	60	00	3500	00
		J. C. P. Frazee (Stock acct.)	75	00	3400	00
		Balance	8270	30		
			17317	85	17317	85

LEDGER.

July 31st, 1870. (Single Entry.)

CALCULATION SHOWING METHOD OF FINDING THE NET GAIN OR LOSS.

	\$	c.	\$	c.
Bal. of original Capital due A. H. Eaton	3440	00		
" " " J. C. P. Frazee	3325	00		
Total Bal. of original Capital			6765	00
Excess of Assets over Liabilities found below			6587	20
DIFFERENCE—NET LOSS.				177 80
A. H. Eaton's half of Net Loss	88	90		
J. C. P. Frazee's " "	88	90		
	Assets.		Liabilities	
Due from Magee Brothers	498	50		
" " Geo. Thomas	300	00		
" " R. T. Muir	250	00		
" to Burns & Murray			1360	00
" from J. S. Turner	242	25		
" to Daniel & Boyd			537	00
" " Logan & Lindsay			300	00
" from T. R. Jones	22	00		
" " Duffus & Co.	40	00		
" " Doull & Miller	366	00		
" " L. C. Eaton	35	45		
" to J. & A. McMillan			35	00
" " Lawton & Vassie			1090	50
" from F. S. Sharp	63	00		
Cash on hand per C. B.	2387	50		
Mdse. " " Inventory	6500	00		
Notes Rec'ble " B. B.	105	00		
Notes Payable " B. B.				900 00
Balance due A. H. Eaton	\$3440.00			
Less his Net Loss	88.90			3351 10
Balance due J. C. P. Frazee	3325.00			
Less his Net Loss	88.90			3236 10
	10809	70	10809	70

GENERAL QUESTIONS.

1. What is the Stock acct. ?
 2. For what is it credited ?
 3. For what is it debited ?
 4. What does the difference represent ?
 5. How does it close ?
 6. What does the Dr. side of the Cash acct. represent ?
 7. The Cr. side ?
 8. What does the difference represent ?
 9. How does it close ?
 10. What does the Dr. side of the Bills Receivable represent ?
 11. The Cr. side ?
 12. What proves the acct. correct ?
- Ans.—The balance agreeing with the total value of the notes unpaid.
13. How does it close ?
 14. Is the balance an asset or liability ?
 15. What does the Cr. side of the Bills Payable acct. represent ?
 16. The Dr. side ?
 17. With what must the balance correspond ?
 18. Is the balance an asset or liability ?
 19. What does the Dr. side of the Mdsc. acct. represent ?
 20. The Cr. side ?
 21. How does it close when the goods are all sold ?
 22. How, when a balance of goods remains unsold ?
 23. What accts. always close into the Profit and Loss acct. ?
 24. What does the Dr. side of the Profit and Loss acct. show ?
 25. What, the Cr. side ?
 26. How does it close ?
 27. How do Private accts. close ?
 28. What does the Dr. side of Balance acct. represent ?
 29. What, the Cr. side ?
 30. What do you understand by assets ?
 31. What, by liabilities ?
 32. How do all Personal accts. close ?

GENERAL QUESTIONS.

What will be your Journal entry—	
If you commence business with a Cash capital of \$8000?	Cash.....\$8000.00 To Stock..... \$8000.00
If you commence with Cash \$3000, Mdse. \$2500, Notes against others \$1500, debt against Wm. Eaton \$500?	Cash..... 3000.00 Mdse... .. 2500.00 Bills Rec'ble.... 1500.00 Wm. Eaton..... 500.00 To Stock..... 7500.00
Suppose you owe at this time on your Notes \$700, and to W. Wilson on acct. \$300?	Stock..... 1000.00 To Bills Pay.... 700.00 " W. Wilson.. 300.00
If J. Jones buys \$700 worth of Mdse. on account?	J. Jones..... 700.00 To Mdse..... 700.00
If you sell Mdse. \$900, and receive Cash \$400, Note at 3 mos. \$500?	Cash..... 400.00 Bills Rec'ble.... 500.00 To Mdse..... 900.00
If you get the above Note discounted at the College Bank @ 7 per cent., avails deposited to your credit?	College Bank.... 490.96 Profit and Loss.. 9.04 To Bills rec'ble 500.00
If you buy of J. Hastings Mdse. \$700, and give your Note for \$200, Cash \$300, Balance on acct. at 60 days \$200?	Mdse..... 700.00 To Bills Pay'ble 200.00 " Cash 300.00 " J. Hastings. 200.00
If you purchase for Cash a suit of clothes \$80, and a gold watch \$120?	Private acct..... 200.00 To Cash..... 200.00
If you exchange Notes with A. B. Capp for mutual accommodation, each Note drawn at 30 days for \$600?	Bills Rec'ble.... 600.00 To Bills Pay'ble 600.00
If you accept J. Smith's draft in favour of J. Cooper at 60 days for \$200?	J. Smith..... 200.00 To Bills Pay'ble 200.00
If you give a draft on Wm. Eaton in favour of W. L. Blair for \$300?	W. L. Blair..... 300.00 To W. Eaton... 300.00
If you receive a consignment of Goods from J. Masters to be sold on his acct., and pay Frt. on same in Cash \$120?	J. Masters' const. 120.00 To Cash..... 120.00

BOOK-KEEPING.

What will be your Journal entry—

Suppose J. Masters draws a draft on you at the same time, on acct. of the const., and you accept the draft at 60 days for \$1500?

J. Masters.....	\$1500.00	
To Bills Pay'ble		\$1500.00

If you ship Mdse. to S. Kerr (Canning), to be sold on your acct. for \$500?

Ship't to Canning	500.00	
To Mdse.....		500.00

If you sell from J. Masters' const. \$1300, and receive Cash \$700, Note for bal. \$600?

Cash.....	700.00	
Bills Rec.....	600.00	
To J. Masters' const.		1300.00

If you receive an account Sales from S. Kerr (Canning), of Mdse. shipped to be sold on your acct., P. recd. in Cash \$600?

Cash.....	600.00	
To Ship't to Canning		600.00

If you buy House and Lot on Leinster St. for \$4000, and give a check on College Bank for \$2000, your Notes at 3 and 6 mos. for \$1400, and a Note which you held against A. B. Capp for \$600?

Real Estate.....	4000.00	
To College Bank		2000.00
„ Bills Pay....		1400.00
„ Bills Rec'ble		600.00

Suppose you ship Mdse. to Chipman & Co., Halifax, to be sold on your acct. \$900, and pay Freight on same in Cash \$20?

Ship't to Halifax	920.00	
To Mdse.....		900.00
„ Cash.....		20.00

If you receive from G. Bent (St John) Mdse., to be sold on his acct., and give your Note at 1 mo. for Freight, \$15?

G. Bent's const.	15.00	
To Bills Pay'ble		15.00

If you sell $\frac{1}{2}$ of ship "Emma" for \$7000, and receive Cash \$3000, Note at 3 mos. \$2000, and a House and Lot on King St. for \$2000?

Cash.....	3000.00	
Bills Rec'ble.....	2000.00	
Real Estate.....	2000.00	
To ship "Emma"		7000.00

If you sell \$800 worth from G. Bent's const., and receive Cash \$300, Note \$300, and an order on Everett & Butler for \$200?

Cash.....	300.00	
Bills Rec'ble.....	300.00	
Everett & Butler	200.00	
To G. Bent's const.		800.00

GENERAL QUESTIONS.

What will be your Journal entry—

If you sell the remainder of G. Bent's const. for \$800, and receive in payment your own acceptance for \$200, J. Smith's draft on you for \$300, and an order on J. Prichard for bal. \$300?

Bills Payable.....	\$200.00	
J. Smith.....	300.00	
J. Prichard.....	300.00	
To G. Bent's const.		\$800.00

If you close the const., and render G. Bent an acct. Sales, Storage \$6, Commission on Sales @ 2½ per cent. \$40, G. Bent's Net Proceeds \$1539?

G. Bent's const.	1535.00	
To Storage.....		6.60
„ Com'n.....		40.00
„ G. Bent.....		1539.00

If you buy a draft at the Bank for Cash and remit his proceeds?

G. Bent.....	1539.00	
To Cash.....		1539.00

If A. B. Capp should fail to meet his Note in Bank for \$600, and allow it to be protested, and you pay the same with protest fee in Cash \$603?

Bills Rec'ble....	600.00	
A. B. Capp.....	3.00	
To Cash.....		603.00

If he should become Insolvent and compound with you @ 50c. on the dollar for above Note Recd. Cash \$301.50, the bal. is a Loss \$301.50?

Cash.....	301.50	
Profit and Loss..	301.50	
To Bills Rec'ble		600.00
„ A. B. Capp..		3.00

If you lose your purse with \$75 Cash in it?

Profit and Loss..	75.00	
To Cash.....		75.00

If you find \$95 Cash and cannot find the owner?

Cash.....	95.00	
To Profit and Loss		95.00

If you lose \$300 worth of Mdse. by fire or flood (uninsured)?

Profit and Loss..	300.00	
To Mdse.....		300.00

If you draw on T. R. Jones for \$355, and sell the bill for Cash less \$5?

Cash.....	350.00	
Profit and Loss..	5.00	
To T. R. Jones		355.00

If T. R. Jones refuse to accept, and the draft is returned, you pay the draft in full, by Cash \$355?

T. R. Jones.....	255.00	
To Cash.....		355.00

If you buy a draft at 1 mo. sight on College Bank, Halifax, at 5 per cent. premium for \$1000?

Bills Rec'ble.....	1000.00	
Profit and Loss..	50.00	
To Cash.....		1050.00

BOOK-KEEPING.

What will be your Journal entry—

If you buy @ 5 per cent. discount?

Bills Rec'ble.....	\$1000.00	
To Cash.....		\$950.00
„ Profit and Loss		50.00

If you sell this bill at 10 per cent. premium for Cash?

Cash.....	1100.00	
To Bills Rec'ble		1000.00
„ Profit and Loss		100.00

If you sell it at 10 per cent. discount for Cash?

Cash.....	900.00	
Profit and Loss..	100.00	
To Bills Rec'ble		1000.00

If you sell Everett & Butler \$870 worth of Mdse., and receive in payment D. H. Hall's draft @ 60 days on you for \$460, order on W. S. Calhoun \$200, their Note at 30 days for bal. \$215.64, Disct. off D. H. Hall's draft 63 days 7 per cent.

D. H. Hall.....	460.00	
W. S. Calhoun..	200.00	
Bills Rec'ble.....	215.64	
To Mdse.....		870.00
„ Profit & Loss		5.64

ADDITIONAL SET FOR PRACTICE.

THE following set of transactions, arranged in Day Book form, is given to afford additional practice to the student. If correctly worked out, the Ledger will give the results exhibited in the form of Balance Sheet given on pages 114 and 115.

ADDITIONAL SET FOR PRACTICE.

YARMOUTH, December 1st, 1870.

1870		\$	a.	\$	c.	
Dec.	1	I have this day commenced business with the following effects :—				
		Cash	20000	00		
		Bills Receivable	10000	00		
		Ship "Emma"	15000	00		
		Merchandise valued at	6000	00		
		Daniel & Boyd owe me on acct.	3000	00		
		Jardine & Co. " " "	4000	00		
		Thos. R. Jones owes " "	2000	00	60000 00	
		I owe as follows :—				
		Bills Payable	4000	00		
		Doull & Miller, on acct.	3500	00		
		Burns & Murray "	2500	00		
		Duffus & Co. "	4850	00		
		Geo. Thomas "	5150	00	20000 00	
	4	Sold L. C. Eaton, on his Note @ 1 mo.—				
		400 bbls. Flour @ \$5.00	2000	00		
		200 pos. London Prints @ 5.00	1000	00	3000 00	
	5	Bought of Manchester, Robertson, & Allison, St John—				
		Mds. per Invoice No. 1			2500 00	
		Gave in payment—Cash	1500	00		
		" my Notes @ 3 and 6 mos.	1000	00		
	"	Bought of H. Chubb & Co. for Cash—				
		Mds. per Invoice No. 2 (Stationery)			1500 00	
	7	Sold Geo. Thomas on acct.—				
		100 bbls. Stone Mill Flour @ \$5.00				
		10 " Corn Meal @ 3.00				
		15 " Rye Flour @ 3.00				
	"	Deposited in College Bank, Cash				7000 00
	"	Accepted Doull & Miller's Draft on me in favour of A. & T. Gilmour at 30 days, for				2000 00
	8	Rec'd from Daniel & Boyd, Cash on acct.				2000 00
	10	Paid sundry Notes due this day				2500 00
	"	Shipped per str. "Linda," and Consigned to J. R. Currey & Co., St John, to be sold on my acct.—				
		100 bbls. fine Flour @ \$6.00				
		100 " Corn Meal @ 4.00				

YARMOUTH, December 12th, 1870.

1870			\$	c.	\$	c.
Dec. 12	Rec'd from Hall & Fairweather, St John, per str. "Linda" to be sold on their acct.—					
	20 hhds. Sugar					
	50 boxes Raisins					
	50 bags Coffee					
	Paid freight, &c., on above in Cash					20 00
" "	Shipped Everett & Butler, St John, per the Order of Duffus & Co., Halifax—					
	10 pos. 400 yds. Brussels Carpeting . . @ \$1.50					
	80 " Merrimac Prints @ 5.00					
	75 " English " @ 4.00					
	40 " Saxon Flannel @ 3.00					
" "	Paid Burns & Murray on acct., Cash					1000 00
" 15	Rec'd Cash on Notes due this day					5000 00
" "	Paid Geo. Thomas on acct., Cash					2500 00
" "	Sold Logan & Lindsay for Cash from Hall & Fairweather's const.—					
	15 hhds. Sugar, 15000 lbs. . . . @ \$0.10					
	25 boxes Raisins @ 3.00					
	20 bags Coffee, 1000 lbs. . . . @ .25					
" 16	Bought of Black, Bros., & Co.—					
	Mdse, per Invoice No. 3					2800 00
	Gave in payment, Cash				500 00	
	" my Note at 3 mos.				700 00	
	" Draft on Jardine & Co., at 60 days				1500 00	
	Balance on acct. at 3 mos.				100 00	
" 20	Sold W. L. Evans on his Note at 3 mos. the remainder of Hall & Fairweather's const.—					
	5 hhds. Sugar, 5000 lbs. . . . @ \$0.10					
	30 bags Coffee, 1500 lbs. . . . @ .25					
	25 boxes Raisins @ 3.00					
" "	Closed Hall & Fairweather's Const. and rendered them an acct. Sales—					
	Storage				5 00	
	Commission on Sales at 2½ per cent.					
	Hall & Fairweather's net proceeds.					
" 21	Rec'd an acct. Sales of Mdse. shipped J. R. Currey & Co., St John, to be sold on my acct.—					
	My net proceeds due 31st inst.					1100 00
" "	Rec'd Cash for retail sales this day					600 00

ADDITIONAL SET FOR PRACTICE.

YARKOUTH, December 22d, 1870.

		U.	C.
1870	Dec. 22	Bought for Cash House and Lot on King St., No. 46	
			8000 00
	" 23	Gave Geo. Thomas a draft at 8 days on J. R. Currey & Co., for N. P. of Shipment to St John	
	" "	Sold Chipman & Co.—	
		150 bbls. superfine Flour @ \$0.00	
		20 chests Tea, 500 lbs. @ .50	
		1 suit fine Clothes	45
		Rec'd in payment—Cash	800
		Their Note @ 3 mos.	500
		Balance on acct. at 30 days	
	" "	Discounted above Note at College Bank	
		Received Cash N. P.	492 25
		Discount for 98 days at 6 per cent.	775
	" 20	Bought of Manchester, Robertson, & Allison, St John, on acct.—	
		Mdse. per Invoice No. 4	2100
		Paid Freight on same in Cash	50
	" "	Sold Seammell Bros. for Cash—	
		25 lbs. White Sugar @ \$0.20	
		20 " Tea @ 0.50	
		40 " Rice @ 0.10	
		9 bbls. Apples @ 4.00	
		5 " Flour @ 0.00	
	" 28	Bought of Everett & Butler, St John—	
		Mdse. per Invoice, No. 5	800 00
		Gave in payment Draft at sight on Thos. R. Jones for	250 00
		Draft at 30 days on Jardine & Co. for	100 00
		Cash	50 00
		Balance on acct. at 60 days	
	" "	Exchanged Notes with N. Eaton for mutual accommodation, each Note drawn at 30 dys. for same sum...	
			700 00
	" 30	Insured my House on King St., valued at \$8000 in the London Insurance Co. at 1 per cent.	
		Also Mdse. in Store value \$5000 @ 1 per cent.	
		Premium paid in Cash.	
	" "	Paid Notes due this day in Cash	
			1500 00
1871	Jan. 1	Sold B. Smith, Windsor—	
		One half (1/2) of ship "Emma" for	8000 00
		Received in Payment Cash	
		" his Note at 90 days for bal.	8000 00

BOOK-KEEPING.

YARMOUTH, January 1st, 1871.

1871			\$	c.	\$	c.
Jan.	1	Gave Manchester, Robertson, & Allison above note to apply on acct.			2000	00
"	4	Sold Jardine & Co. on acct.— 4 hhds. Sugar, 1220, 1280, 1650, 1850 lbs.— Total, 6000 lbs. gross. Tare 10 per cent. 600 Net 5400 @ 10 cents. 260 pcs. Merrimac Prints . . . @ \$3.00				
"	"	Rec'd Cash for L. C. Eaton's note due this day			3000	00
"	5	Paid A. & T. Gilmour Cash for suit of Clothes for myself			45	00
"	6	Paid Clerks in full to 1st inst. viz. Cash Mdse.	175	00	300	00
"	"	Paid my acceptance due this day in favour of A. & T. Gilmour	125	00		
"	10	Rec'd from Scammell Bros., St John, per str. "Linda" to be sold on their acct.— 150 bbls. Spring Grove Flour. 100 boxes Raisins. 50 firkins Butter. Paid Freight on same in Cash			85	00
"	"	Rec'd Cash on notes due this day			5000	00
"	15	Paid by board bill, 2 mos. to date			30	00
"	"	Sold J. Churchill for Cash from Scammell Bros.' consignment— 100 bbls. Flour @ \$6.00 25 firkins Butter, 1250 lbs. @ .20 50 boxes Raisins @ 3.00 Also from my own goods— 25 lbs. Tea @ .40 50 " Sugar @ .20 8 bbls. Apples @ 4.00 6 " Corn Meal @ 4.00				
"	16	Rec'd from T. R. Jones on acct, Cash	800	00		
"	"	" Daniel & Boyd " "	700	00		
"	"	" Jardine & Co. " "	500	00		
"	18	Lost by fire in Storehouse last night, Mdse. to amt. of (No Insurance)			800	00

ADDITIONAL SET FOR PRACTICE.

YARMOUTH, Jan. 18th, 1871.

1871			\$	c.	\$	c.
Jan. 18	Shipped Chipman & Co., Halifax, per stmr. "M. A. Star" to be sold on my acct.—					
	500 bush. Potatoes	@	\$0.40			
	200 " Turnips	@	0.25			
	200 bbls. Apples	@	5.50			
	200 boxes Dried Herring	@	.50			
	Paid Shipping expenses in Cash				50	00
" 10	Sold N. K. Clements & Co. on their Note at 3 mos., bal. damaged goods remaining in Storehouse, for					500
" "	Bought of Everett & Butler—					
	Mdse. per Invoice No. 6					
	Gave in Payment Check on College Bank		1500	00		3000
	N. K. Clement & Co.'s Note in my favour		500	00		
	My Order on T. R. Jones for		500	00		
	Balance on acct. @ 2 mos.		500	00		
" "	Paid Cash for disbursements of ship "Emma"					700
" 20	Paid Doull & Miller on acct. Cash		500	00		
	" Burns & Murray "		400	00		
	" Duffus & Co. "		700	00		
" "	Accepted Hall & Fairweather's Draft on me @ 10 days for amt. of acct.					2080
" 22	Sold for Cash the remainder of Scammell Bros.' const.—					
	50 bbls. Flour	@	\$8.00			
	50 boxes Raisins	@	3.00			
	25 firkins Butter, 1250 lbs.	@	.20			
" "	Closed Scammell Bros.' const. and rendered them an acct. sales—					
	Storage				8	00
	Commission on Sales at 2½ per cent.					
	Net Proceeds remitted in Cash.					
" 24	Received Cash for Freights from ship "Emma"					1700
" 25	Loaned J. R. Currey & Co., St John, on acct., Cash		125	00		
	Sold them—30 pcs. Merrimac Prints	@	\$3.50			
	100 yds. Canadian Tweed	@	.75			
	50 " Furniture Prints	@	.40			
" 28	Rec'd from Chipman & Co. an acct. sales of my Ship't to Halifax—					
	My Net Proceeds received in Cash					1200
	INVENTORIES. On taking St'k there is found on hand—					
	Mdse. valued at		\$8000			
	Real Estate, House and Lot		8000			
	Ship "Emma" (½)		7000			

NOTE.—If the foregoing Exercises be worked out correctly, the result will correspond with the following Balance Sheet.

BOOK-KEEPING.

BALANCE SHEET,

LEDGER TITLES.	L. F.	Trial Balance.				Inventories.	
		Dr.		Cr.		\$	c.
		\$	c.	\$	c.		
Stock		20000	00	60000	00		
Cash		50978	25	32680	50		
Bills Receivable		17650	00	16000	00		
Ship "Emma"		15700	00	9700	00	7000	00
Merchandise		18700	00	11946	00	8000	00
Daniel & Boyd		3000	00	2700	00		
Jardine & Co.		5320	00	2250	00		
T. R. Jones		2000	00	1600	00		
Bills Payable		6000	00	11080	62		
Doull & Miller		2500	00	3500	00		
Burns & Murray		1400	00	2500	00		
Duffus & Co.		2120	00	4850	00		
Geo. Thomas		4175	00	5150	00		
College Bank		7000	00	1500	00		
Shipment to St John		1000	00	1100	00		
Black Bros. & Co.				100	00		
Storage				13	00		
Commission				111	88		
J. R. Currey & Co.		1425	00	1100	00		
Real Estate		8080	00			8000	00
Chipman & Co.		395	00				
Discount		7	75				
Manchester, Robertson, & Allison		2000	00	2100	00		
Everett & Butler				550	00		
Private acct.		75	00				
Expense		300	00				
Profit & Loss		800	00				
Shipment to Halifax		1106	00	1200	00		
		171732	00	171732	00	23000	00

Net gain.....

APPENDIX:

STERLING EXCHANGE.

THE term *Bills of Exchange* is often abbreviated into "Exchange," as when we say, "to buy Exchange," "to sell Exchange," &c.

A Bill of Exchange is a written order or request from one person to another, desiring the latter to pay to some person designated in the bill, or to his order, a certain sum of money therein named.

Bills of Exchange are extremely useful in Commerce. They enable persons at a distance from each other to make payments from one to another without the transmission of money, and thus avoid the danger of its being lost.

Foreign Bills of Exchange are such as are drawn in one country and payable in another. Inland Bills are such as are drawn and payable in the same country.

Bills of Exchange payable in Great Britain are called Sterling Bills of Exchange, and are bought and sold by the merchants of this country to a very large extent, and it is therefore a matter of importance for every one to be able readily to convert any sum in Sterling to its equivalent in our currency at the rates at which these bills are generally negotiated.

The old par value of the Pound Sterling was $\$4.44\frac{1}{2}$ or $\$4\frac{10}{9}$; but, at the present time, and for many years past, it has been considerably greater, and is expressed by so much per cent. above that old par value. In the Dominion of Canada and in the United States, the present Commercial par is $109\frac{1}{2}$, which

APPENDIX.

means that it is $9\frac{1}{2}$ per cent. above the old par, which makes the Pound Sterling equal to $\$4.86\frac{2}{3}$.

Sterling Bills are not always bought and sold at these rates, but at rates usually a little higher than these, though sometimes also lower.

TO CONVERT STERLING INTO OUR CURRENCY.

RULE.—To 40 add the premium on itself at the quoted rate, multiply the sum by the number representing the amount of Sterling, and divide the result by 9; the quotient will be the equivalent of the Sterling money in dollars and cents. If there be shillings, pence, &c., they must be expressed in the decimal of a pound.

EXAMPLES.

The Value of £1

At 9	per cent. or	$109 = \frac{40 \times 1.09}{9} = \frac{43.60}{9} = \$4.84\frac{2}{3}$
" $9\frac{1}{2}$	" "	$109\frac{1}{2} = \frac{40 \times 1.09\frac{1}{2}}{9} = \frac{43.80}{9} = 4.86\frac{2}{3}$
" 8	" "	$108 = \frac{40 \times 1.08}{9} = \frac{43.20}{9} = 4.80$
" 10	" "	$110 = \frac{40 \times 1.10}{9} = \frac{44.00}{9} = 4.88\frac{2}{3}$

$$\text{The Value of } \pounds 250 \text{ at } 110 = \frac{40 \times 1.10 \times 250}{9} = \$1222.22\frac{2}{3}.$$

$$\begin{aligned} \text{The Value of } \pounds 375 \text{ } 17 \text{ } 6 &= \pounds 375,875 = \text{at } 109\frac{1}{2} = \\ & \frac{40 \times 1.09\frac{1}{2} \times 375,875}{9} = \$1833.43. \end{aligned}$$

TO REDUCE OUR CURRENCY TO STERLING.

RULE.—Multiply the quotation rate, that is, 1.09, 1.10, 1.10 $\frac{1}{2}$, &c., by 40, and divide the product into 9 times the given sum in our currency.

BOOK-KEEPING.

EXAMPLES.

Reduce \$2567.94 to Sterling at 1.10.

1.10	2567.94	
40	9	
<hr/>		
44.00)	23111.46	(£525 5 2½ Ans.
	22000	
<hr/>		
	11114	
	8800	
<hr/>		
	23146	
	22000	
<hr/>		
	1146	
	20	
<hr/>		
	22920	
	22000	
<hr/>		
	920	
	12	
<hr/>		
	11040	
	8800	
<hr/>		
	2240	
	4	
<hr/>		
	8960	

Reduce \$1169.76 to Sterling at 1.09½.

1.09½	1169.76	
40	9	
<hr/>		
43.80)	10527.84	(£240 7 3 Ans.

EXERCISES.

1. When Sterling Exchange is at 9½ per cent. premium, what is the value of \$1000?

Ans. £205 19 0.

2. At 110, what would a Bill on London for £618 12 9 cost?

Ans. \$3024.45.

APPENDIX

The following methods of reducing Sterling to our currency, at different rates of Exchange, will often be found convenient:—

At 1.09½. **RULE.**—Reduce the amount in Sterling to currency at \$4 to the £1, and to that result add the aliquot parts for 86½ cents, viz., ¼ for 80 cents and ⅙ of that for 6½ cents; the result is the amount in our currency.

EXAMPLE.

Reduce £84 13 9 Sterling to our currency @ 1.09½.

4	386	= value of £84 @ \$4.
	2.75	= ,, 13s. 9d.—i.e., 10s. = \$2, and 3s. 9d. = 75 cents.
¼	338.75	= ,, @ \$4 per £1.
⅙	67.75	= ,, @ 80 cents.
	5.65	= ,, @ 6½ ,, nearly.
	412.15	Ans. to the nearest cent.

In the above example, and all others of the same kind, the value @ 6½ cents represents the premium @ 1½ per cent., and, consequently, the value @ 1.10 may be found by merely adding to the value @ 1.09½, ¼ of the value @ 6½ cents, as found above.

At 1.10. **RULE.**—To the value @ \$4 per £1 add ¼ of the same repeated twice; the result is the value in our currency.

EXAMPLE.

Reduce £76 19 4 to our currency @ 1.10.

4	304	= value of £76 @ \$4.
	3.87	= ,, 19s. 4d.—i.e., 15s. = \$3, and 4s. 4d. = 87 cents.
¼	307.87	= ,, \$4.
	34.21	= ,, ¾.
	34.21	= prem. @ 10 per cent.
	376.29	Ans. @ 10 % prem. or 1.10.

When Sterling is reduced @ 1.10 by the last method, the value at almost any other rate is easily obtained. For example,

Reduce £420 7 8 @ 1.09½—i.e., ¼ less than 1.10.

4	1681.53	@ \$4.
	186.836	@ ¾.
¾ % = ⅜ of ⅜	186.836	prem. @ 10 %.
	2055.202	@ 1.10.
	2.335	subtract ⅜ of 10 % = value @ ¾ %.
	2052.87	Ans. @ 1.09½.

To get ⅜, divide by 8, and set the figures one place to the right.

Reduce £735 7 10½ @ 1.10½.

4	2941.575	@ \$4.
	326.841	@ ¾.
⅜	326.841	prem. @ 10 %.
	16.342	,, @ ¾ %.
	3611.60	Ans. @ 1.10½.

AMERICAN EXCHANGE.

When gold is at 115, how much American currency must be given for \$300 of gold?

SOLUTION.—When gold is at 115, \$1 gold is worth \$1.15 in currency; therefore \$300 would be worth 300 times \$1.15 = \$345, ANS.

How much American currency, at a discount of 20 per cent, must be paid for \$500 gold?

SOLUTION.—When American currency is at 20 per cent. discount, \$1 of it is worth only 80 cents in gold, that is 80 cents in gold = 1.00 currency, therefore \$500 gold will be as many times one dollar currency as 80 cents is contained in \$500, hence $\$500 \div 80 = \625 , ANS.

How much gold at 113 can be bought for \$158.30 American currency?

SOLUTION.—When gold is at 113, \$1 gold is equal to \$1.13 currency; therefore in \$158.20 there will be as many gold dollars as the number of times \$1.13 is contained in \$158.20, that is, divide \$158.28 by 1.13 = \$140, ANS.

How much gold can be bought for \$150 American currency which is at a discount of 15 per cent.

SOLUTION.—When American currency is at a discount of 15 per cent., \$1 of it is worth 85 cents, and therefore \$150 is worth 150 times 85 cents = \$127.50, ANS.

EXERCISES.

1. I exchanged \$750 of American currency at discount of 18 per cent. for gold. How much did I get?

ANS. \$615.

2. Bought a suit of clothes in St John for \$35 and paid for them in American currency at 32 per cent. discount. How much had I to pay?

ANS. \$51.47.

Additional exercises may be found in Eaton's Commercial Arithmetic.

APPENDIX.

TO CONVERT NOVA SCOTIA CURRENCY INTO
CANADA CURRENCY.

RULE.—Deduct $2\frac{2}{3}$ per cent. by the following method:—

Multiply the amount in Nova Scotia currency by 2 (without setting down the 2), and set the product under the given sum, two places to the right; divide this product by 3, setting the quotient directly under it; then add these two results together (carrying to the cents 2 if the mills amount to 15 or more, or 1 if the mills amount to less than 15 and more than 4) and subtract the sum from the given amount. The quotient will be the equivalent in Canada currency.

NOTE.—If care be taken to place the figures as directed above, the discount will come in a convenient place for subtracting, and no confusion will arise. The decimal points in all the numbers should be kept directly under one another. If this plan be practised a short time, there will be no need of currency tables.

EXAMPLES.

1. Reduce \$45.00 N. S. currency to its equivalent in Canada currency.

$$\begin{array}{r} .90 \text{ product by 2, set two places to the right.} \\ .30 \text{ quotient by 3.} \\ \hline 1.20 \text{ sum—discount to be subtracted.} \\ \hline \$43.80 \text{ remainder, Canada currency.} \end{array}$$

2. Reduce \$19.86 N. S. currency to its equivalent in Canada currency.

$$\begin{array}{r} .3972 \text{ product by 2, set two places to the right.} \\ .132 \text{ quotient by 3 carried as far as necessary.} \\ \hline .53 \text{ sum—discount to be subtracted.} \\ \hline \$19.33 \text{ remainder, Canada currency.} \end{array}$$

3. Reduce \$573.98 N. S. currency to its equivalent in Canada currency.

$$\begin{array}{r} 11.47.96 \text{ product by 2.} \\ 3.82.6 \text{ quotient by 3.} \\ \hline 15.31 \text{ sum. Carry 2 for 15 mills.} \\ \hline \$558.67 \text{ remainder, Canada currency.} \end{array}$$

BOOK-KEEPING.

MERCANTILE FORMS.

MONEY ORDER.—(See May 20, page 27.)

\$88.00

HALIFAX, *May* 20, 1870.

Messrs DOULL & MILLER :

Please pay to the order of Eaton & Frazee Eighty-eight Dollars, for value received, and charge to the acct. of
DUFFUS & CO.

AN ORDER FOR MERCHANDISE.—(See May 10, page 27.)

\$45.00

ST JOHN, *May* 10, 1870.

Messrs EATON & FRAZEE :

Please pay A. B. Capp, or order, Forty-five Dollars in Merchandise from your Store, and charge to the acct. of
J. HUNT.

DUE BILL, PAYABLE IN GOODS.

\$55.00

HALIFAX, *Jan.* 20, 1871.

Due A. J. Smith or order, on demand, Fifty-five Dollars in Merchandise, for value received.

EATON & FRAZEE.

RECEIPT IN FULL.

\$25.00

ST JOHN, *Jan.* 12, 1871.

Received from Mr A. H. Eaton Twenty-five Dollars in full of all demands to date.

L. C. EATON.

RECEIPT ON ACCT.—(See June 5, page 28.)

\$200.00

ST JOHN, *June* 5, 1870.

Received from Geo. Thomas Two Hundred Dollars on acct.

EATON & FRAZEE.

APPENDIX.

RECEIPT FOR MONEY PAID FOR ANOTHER.

\$57.30

HALIFAX, *Feb. 4, 1871.*

Received from J. C. P. Frazee Fifty-seven Dollars Thirty Cents to apply on acct. of A. H. Eaton.

R. T. MUIR.

RECEIPT FOR AN ENDORSEMENT UPON A NOTE.

\$300.00

SUSSEX, *Jan. 16, 1871.*

Received from Fred. Smith Three Hundred Dollars which is endorsed upon his note.

W. T. MCLEOD.

A PROMISSORY NOTE.—(See May 12, page 27.)

\$700

ST JOHN, *May 12, 1870.*

Three months after date, for value received, we promise to pay Logan & Lindsay, or order, Seven Hundred Dollars.

EATON & FRAZEE.

A JOINT PROMISSORY NOTE.

\$150.00

ST JOHN, *Feb. 4, 1871.*

Three months after date, for value received, we, or either of us, promise to pay to J. & A. McMillan, or order, One Hundred and Fifty Dollars.

A. H. EATON.

J. C. P. FRAZEE.

AN INLAND BILL OR DRAFT.

\$1500.00

HALIFAX, *Jan. 12, 1871.*

Thirty days after sight, pay to the order of H. Chubb & Co. Fifteen Hundred Dollars, value received, and charge to the acct. of

EATON & FRAZEE.

To A. JARDINE & Co.,

· Merchants, St John, N.B.

BOOK-KEEPING.

A SET OF EXCHANGE.

£500 0 0

HALIFAX, *Jan. 30, 1871.*

Sixty days after sight of this our first of Exchange (second and third of the same date and tenor unpaid) pay to the order of D. H. Starr Five Hundred Pounds Sterling, value received, and charge to the acct. of
EATON & FRAZEE.

To VAUGHAN BROS. & Co.,
Ship Brokers, Liverpool.

£500 0 0

HALIFAX, *Jan. 30, 1871.*

Sixty days after sight of this our second of Exchange (first and third of the same date and tenor unpaid) pay to the order of D. H. Starr Five Hundred Pounds Sterling, value received, and charge to the account of
EATON & FRAZEE.

To VAUGHAN BROS. & Co.,
Ship Brokers, Liverpool.

£500 0 0

HALIFAX, *Jan. 30, 1871.*

Sixty days after sight of this, our third of Exchange (first and second of the same date and tenor unpaid), pay to the order of D. H. Starr Five Hundred Pounds Sterling, value received, and charge to the account of

EATON & FRAZEE.

To VAUGHAN BROS. & Co.,
Ship Brokers, Liverpool.

A LETTER OF INTRODUCTION.

HALIFAX, *Jan. 14, 1871.*

DEAR SIR,

We have the pleasure of introducing to you H. A. De Wolf, Esq., Merchant of this City. While in St John he wishes to confer with you on some business, the nature of which he will himself make known to you.

We are, Dear Sir,

Yours very truly,

To JAS. MANSON,
St John, N. B.

EATON & FRAZEE.

APPENDIX.

A LETTER WITH AN ORDER.

YARMOUTH, N.S., Feb. 15, 1871.

Messrs BARNES & Co. :

Gentlemen,

Please forward the following goods per str. "Linda" at your earliest convenience, as my stock of the articles enumerated is short.

I am, Gentlemen,

Yours respectfully,

S. M. RYERSON.

- 15 Reams Foolscap, Cream Laid, ruled.
- 16 Doz. Slates, 12 × 16.
- 2 „ Photograph Albums.
- 24 „ Eaton's Commercial Arithmetic.
- 24 „ Eaton & Frazee's Book-keeping, with full sets of Blank Books for same.
- 3 „ bottles Stephens' Blue Black Writing Fluid.

A LETTER OF CREDIT.

HALIFAX, Feb. 15, 1871.

DEAR SIR,

If the bearer, Mr Geo. A. Thomson, desires to make any purchases of goods of you on credit, you may consider us responsible to you for payment for the same to any amount not exceeding Twelve Hundred Dollars (\$1200). In the event of his failing to make his payment according to agreement, we require you to give us timely notice of the same.

We are, Dear Sir,

Yours respectfully,

EATON & FRAZEE.

To SHERATON, SON, & SKINNER,
Merchants, St John.

BOOK-KEEPING.

ACCOUNT SALES of 20 hhds. Sugar, 50 boxes Raisins, 50 bags Coffee, for account of
Hall & Fairweather, St John:—

1870						
Dec. 15	Sold Logan & Lindsay, for Cash—					
	15 hhds. Sugar, 15000 lbs. . . . @ \$0.10			\$1500 00		
	20 bags Coffee, 1000 " . . . @ .25			250 00		
	25 boxes Raisins @ 3.00			75 00		1825 00
Dec. 20	Sold W. L. Evans on his Note at 3 mos. :—					
	5 hhds. Sugar, 5000 lbs. . . . @ .10			500 00		
	30 bags of Coffee, 1500 ,, . . . @ .25			375 00		
	25 boxes Raisins @ 3.00			75 00		950 00
	CHARGES.					2775 00
	Cash paid Freight			20 00		
	Storage			5 00		
	Commission on Sales at 2½ per cent.			69 38		94 38
	Hall & Fairweather's N. P. due Jan. 17th, '71. [E. & O. E.] : CLARENCE CHRISTIE, Com. Merchant.					2680 62

See Page 110.

OPINIONS OF THE PRESS.

From the St John "Daily Telegraph and Journal."

EATON & FRAZEE'S ELEMENTARY BOOK-KEEPING. By A. H. EATON, Principal of the Commercial College, St John, and J. C. P. FRAZEE, Principal of the Commercial College, Halifax.

The advance sheets of this work have been submitted to our inspection and were carefully examined. It is an eminently practical work, and is intended either for the use of schools or persons desirous of teaching themselves. It begins by teaching the simplest principles of the art, and gradually leading the pupil up to the most complicated forms used in ordinary commercial transactions. These principles are not taught by long dissertations on the philosophy of the relations of debt and credit, as is too often attempted in works of this class, but by practical examples given as answers to practical questions. It is no fancy system founded on ideas of perfection in the authors' brain, and intended to revolutionise or reform the science, but just such a system as is commonly used by business men. There is nothing in it that the student will require to unlearn after being placed in a counting-room. More importance is attached in this work to single entry than is usual in such books, and a balance sheet is given at the close of a set of books kept in this manner that shows the exact state of the business as minutely as though double entry had been

