S
567
.G5

Farm - Ranch Bookkeeping

Giles

Class S567

Book . G5

Copyright N^o _____

COPYRIGHT DEPOSIT

FARM-RANCH BOOKKEEPING

By JOHN HENRY GILES

COPYRIGHT, 1922, BY
JOHN HENRY GILES
ALL RIGHTS RESERVED

PRINTED BY
LODOVIC PRINTING CO.
SAN ANTONIO, TEXAS

S567
.G5

THE AUTHOR OF THIS COURSE has written from actual knowledge. He was reared on a stock farm and has had experience in raising every kind of crop, stock and poultry.

He has taught in the public schools, in leading academies, taught in and managed prominent business colleges, and has been bookkeeper and auditor for commercial institutions.

He knows the problems of the Man behind the Plow, and has the special training to write a system of Business Education that will meet his needs.

APR 11 1922

©CL A661397

no 1

2413 24 Apr. 1922

INTRODUCTION

THE NEED of a system of plain, practical Farm-Ranch Bookkeeping is well known. Farming-Ranching is the most important industry in America, but lack of **system** and **business method** have lost the Farmer-Ranchman millions of dollars every year.

OTHER BUSINESS MEN —Merchants, Bankers, etc., keep exact records on all their transactions and know just where they are making or losing money. They know just what each article has cost them and what they can afford to sell it for. When they are losing on any article, they will either change the loss into a profit, or give up the article entirely, for a **small leak will sink the largest ship**.

VERY FEW FARMERS, however, know the cost of raising each kind of crop and stock. If they have gained or lost on anything, they often do not know **how much** or **why**.

THE PURPOSE of this course in Farm-Ranch Bookkeeping is to give the country man a knowledge of business methods and system that will enable him to make a science of his work that will be a pleasure, and to make it a **business** that will yield a certain gain.

MANY ENDORSEMENTS have been given this work by leading Farmers, Ranchmen, Merchants and Bankers. One prominent man says that if the farmers and ranchmen will take this course and use such knowledge in their business, they will be able to **pay off the National Debt in ten years**.

ALL AGREE that young men who take this training will be more likely to remain on the soil, and to make useful, successful citizens, doing much to build up their own communities.

Farm-Ranch Bookkeeping.

First Principles of Bookkeeping

(1) **Farm-Ranch Bookkeeping** is the keeping of plain and correct records of everything done on the farm or ranch.

(2) An **Entry** is writing down a record of any transaction or work that has been done.

(3) An **Account** is a **complete record** on any person, crop, stock or thing. For instance you have an **account** with a certain person, or with a store, or with cotton or cows.

(4) Every act or transaction, in business, has **two sides**. These are the **debit** (or "charge") side and the **credit** side. The debits are always in the left hand column headed "Dr." The credits are always in the right hand column headed "Cr." These two sides must always be **equal**.

(5) The **Key to Bookkeeping** is learning when to **charge** and when to **credit** an account.

(6) Any account is **charged** for any goods or thing of value on hand or received, or when it suffers a **loss**.

(7) Any account is **credited** whenever it gives value, or when it shows a **gain**.

(8) The **Journal** is a blank book where entries are **first made**. This journal has two columns; the one on the left for the **debits**, and the one on the right for the **credits**.

(9) The **Ledger** is the book where the **complete record** of each account is kept. In actual business, all entries from the journal are each day transferred to the proper account in the ledger, and to the same column (debit or credit) in which they were found in the journal.

(10) A **Trial Balance** is the writing of all accounts in the ledger on a separate sheet of paper, in regular order, with all debits and credits of each account placed opposite that account in the proper column. As we have already learned (See No. 4), the total of debits and credits in any transaction must be the same amount, we will find that the total of the debit and credit columns in the Trial Balance will be the same, if the work has been correct.

(11) A **Balance Sheet** is a trial balance which also shows the loss and gain on every account. (See page 29).

(12) A **Net Loss** occurs when the total of the **losses** on the balance sheet is greater than the total of **gains** on the balance sheet.

(13) A **Net Gain** occurs when the total of the **gains** on the balance sheet is greater than the total of the **losses** on the balance sheet.

(14) A **Bill** is a record of a single transaction of goods purchased, usually made on a "bill head", with the name and address of the firm printed thereon.

(15) A **Statement** is a **total record of bills** purchased in a given time, and is usually sent the customer at the end of each month.

(16) An **Invoice** is a paper showing the sending of goods, with their prices, etc.

(17) A **Note** is a **written promise** to pay a certain amount at a certain time. It may or may not bear interest. It is usually payable in a certain place.

(18) A **Draft** is an order on a second party to pay a third party a certain amount at a certain time. For instance A owes B, and C owes A, each amount being \$50.00. A orders C to pay B, and when C does so, both debts are paid thereby. A **Sight Draft** is a draft that orders one to pay at once. A **Time Draft** orders one to pay at a certain later time.

(19) A **Contract** is an agreement between two or more parties to do or not to do a certain thing.

(20) All contracts which run for more than one year, or which are for the sale of land, **must be in writing**. It is best to have all contracts in writing, to avoid misunderstandings, etc.

(21) Every contract must have at least **four principles**, as follows:

(22) a. **Proper Parties** only, can make contracts. Children, idiots, lunatics, etc., cannot make a contract, unless it is something necessary for their welfare, and where there is no proper guardian to secure it.

b. There must be **value given and received by each party**.

c. Contracts must not **violate law**. No contract to violate the law or against the welfare of the public is binding.

d. Contract must **agree with itself**. That is, one part must not **promise** a certain thing, and another part **forbid** that thing.

(23) Every contract should be written in the plainest and simplest words. It should be addressed and dated. It should be carefully read before being signed. It should be signed by the proper parties. It is well to have it witnessed.

(24) **Notes Payable** are the notes **you** will have to pay.

(25) **Notes Receivable** are notes **some other person** will have to pay to you.

Lesson No. 1.

(26) INSTRUCTIONS. This lesson is a quiz on the Principles of Bookkeeping, as given on pages 1 and 2. It is **very important** that this lesson, and the next one, be well learned.

Study the questions very carefully and when you know the answers **write them from memory**, and send in to you teacher. Your answers will be checked and graded, and if necessary, corrected, before being returned to you.

Ques. 1. What is Farm-Ranch Bookkeeping? Ques. 2. Define Entry. Ques. 3. Define Account. Ques. 4. How many sides to every transaction? Ques. 5. Give the names of these sides and tell where they are. Ques. 6. What is the **Key** to Bookkeeping? Ques. 7. When do you charge an account? Ques. 8. When do you credit an account? Ques. 9. What is the Journal and what is it used for? Ques. 10. Describe the Ledger. Ques. 11. Describe the trial balance. Ques. 12. What is a balance sheet? Ques. 13. When does a **net loss** occur? Ques. 14. When do you have a **net gain**?

(27) Learn to be regular and prompt in your lessons. Mail these answers to your teacher just as soon as you know them. It will be the aim of your teacher to always have you supplied with one extra lesson, so that when you have sent in one lesson for approval, you can promptly begin work on the next one. You will therefore start on lesson 2 just as soon as you have mailed lesson 1.

Lesson No. 2.

(28) Ques. 1. What is a bill? Ques. 2. What is a statement? Ques. 3. What is an invoice? Ques. 4. What is a note? Ques. 5. Do all notes bear interest? Ques. 6. Do notes mention the place in which they are to be paid? Ques. 7. What is a draft? Ques. 8. How many kinds of drafts and what are they? Ques. 9. What is a contract? Ques. 10. Which contracts **must** be in writing? Ques. 11. Should all contracts be in writing and why? Ques. 12. How many principles in a contract? Ques. 13. Give each of these principles; (a), (b), (c) and (d). Ques. 14. State some things one should be careful about in making a contract. (See No. 23). Ques. 15. What are notes payable? Ques. 16. What are notes receivable?

IMPORTANT. Mail these answers as soon as you know them. Then review Lesson 1. If you remember Lesson 1 perfectly, you are ready to

Commence your Bookkeeping.

(29) Take up next lesson and begin work as instructed.

Lesson No. 3.

(30) J. F. Gordon is a farmer and ranchman. He has never kept books or records on his crops and stock, and he decides that if he knew just how much he was making or losing on everything that he handles, he could make more money than he is now doing.

Besides, the merchants and bankers with whom he does business often ask him, when he goes to them for credit, for information about his own affairs which he cannot give. Also, he must make a sworn report at the end of each year on his income tax.

Mr. Gordon will be his own Bookkeeper and Manager of the farm and ranch and will devote all of his time to actual work in planting, cultivating, harvesting, looking after stock, etc. For these services, he will allow himself a salary of \$150.00 per month.

(31) The Journal will be used for making the first entries (See 8). From the journal all entries will be posted to the ledger (See 9).

Taking Inventory.

Nov. 1, 1917.

(32) Mr. Gordon decides to take an **Inventory** of everything on the farm and ranch, that is to figure out just how much everything is worth in dollars and cents. He gets the following results:

Real Estate (land), 1,000 acres valued at \$50. per acre.....	\$50,000.
Buildings and Fixtures (one 7-room dwelling house, worth \$3,000; two tenant houses worth \$1,500. each; barns and outbuildings, \$2,000.; windmill and well, \$300.;) total.....	8,300.
Wagons and Trucks.....	\$2,000.
Farm Machinery, all kinds.....	\$1,500.
Mules, 20 head.....	3,000.
Horses, 2 head.....	400.
Jersey Cows, 8 head.....	600.
Hogs, 40 head.....	400.
Chickens, 150.....	75.
Turkeys, 50.....	100.
Cane, 50 tons.....	500.
Corn, 800 bu. @ 80c.....	640.
Oats, 500 Bu., 60c.....	300.
Wheat, 50 bu. @ \$2.....	100.

(33) Entering Inventory on Journal:

You will now enter all amounts given on inventory in journal. Model is given on next page. You should study this model until you know **how** and **why** each entry is made, and then make the entries from memory, using the blank journal sent you.

Lesson No. 3, continued.

(34) Go through the journal, numbering the pages 1, 2, 3 etc. Then begin on page 1. You have learned (See No. 6), that an account is **charged** for anything of value on hand. You will therefore charge the following accounts for the proper amounts, getting amount from inventory. (See Model Journal below).

(35) Real Estate, \$.....; Buildings and Fixtures, \$.....; Wagons and Trucks, \$.....; Farm Machinery, \$.....; Mules, \$.....; Horses, \$.....; Jersey Cows, \$.....; Hogs, \$.....; Chickens, \$.....; Turkeys, \$.....; Cane, \$.....; Corn, \$.....; Oats, \$.....; Wheat, \$......

(36) The Gordon Farm should be credited with all of above (See No. 7). Find the total of the above entries, which have been made in the **debit** column, and **credit** the J. F. Gordon Farm for the entire amount. (See Model Journal below).

page 1

MODEL JOURNAL

1917		Dr.	Cr.
Nov. 1	Real Estate, inventory.....	\$50,000.	
	Buildings and Fixtures, inv.....	8,300.	
	Wagons and Trucks "	2,000.	
	Farm Machinery "	1,500.	
	Mules "	3,000.	
	Horses "	400.	
	Jersey Cows "	600.	
	Hogs "	400.	
	Chickens "	75.	
	Turkeys "	100.	
	Cane "	500.	
	Corn "	640.	
	Oats "	300.	
	Wheat "	100.	
	The J. F. Gordon Farm, total.....		67,915

Lesson No. 3, continued.

Nov. 1, 1917.

(38) WRITE OUT A LEASE CONTRACT with F. M. Hood as follows: Gordon leases Hood 100 acres of land for one year, all to be planted in cotton. Gordon is to furnish seed, teams, feed for same, all necessary farming tools, etc. Hood is to plant and cultivate crop under direction of Gordon, doing all of the work in same, including picking of cotton. Gordon is to pay ginning. Cotton, including seed, is to be sold by Gordon, for the highest market price, as soon as ginned, proceeds of the same to remain in his hands until final settlement with Hood at end of year. Gordon is to advance Hood \$60.00 per month for living expenses, which is to be charged against Hood and taken from his share of the crop at the end of the year. Writing of this contract will give you reason to study the principles of contracts (See No. 21, 22, 23). You will also find copy of this contract in this lesson. Study this contract carefully and then copy it word for word. The fact is, you must make two copies, one for Gordon and one for Hood.

(39) Make the same kind of a contract (two copies) with C. L. Meyer, for a lease on 75 acres of cotton land. You should be able to write this contract with Meyer **from memory**.

(40) Write a contract with John Schmidt for one year, employing him as a farm laborer. His salary shall be \$75. per month, with board. How many copies of this contract should you write, and why? (See model in this lesson).

(41) Write the same kind of a contract as the one above with Felix Hansen, for one year. How many copies?

(42) Borrowed from Farmers and Stockmens Bank, for running expenses, \$2,500. for six months at 8%. Write out a note and sign it (see model in this lesson). Take this note to your bank and get credit for proceeds on passbook.

(43) IMPORTANT. At the time a bank lends you money, it takes out the interest for the full time of the loan **in advance**. Now the interest on \$2,500. at 8% for six months is \$100. The bank would keep this \$100., paying you only \$2,400. This is called the **proceeds** of the note, and as you do not need it all at once, you deposit it in the bank.

(44) MONEY IN THE BANK is just the same as **cash on hand**, so we will not open any account with the bank, but the Cash Account in the ledger will always show how much money you have in the bank. This will agree with the balance in your pass book.

(45) Make the following entries in your Journal, of this transaction: Credit Notes Payable for the full amount of the note, \$2,500. (See No. 24). Charge Interest and Discount for \$100. Charge Cash for \$2,400. (See Model Journal in this lesson). Do you see how nicely these **charges** balance with the **credit**?

1917	Model Journal	Dr.	Cr.
Nov. 1	Real Estate, inventory	50,000.	
	Buildings and Fixtures, inventory	8,300.	
	Wagons and Trucks, inventory	2,000.	
	Farm Machinery, inventory	1,500.	
	Mules, 20 head, inventory	3,000.	
	Horses, 2 head, inventory	400.	
	Jersey Cows, 8 head, inventory	600.	
	Hogs, 40 head, inventory	400.	
	Chickens, 150, inventory	75.	
	Turkeys, 50, inventory	100.	
	Cane, 50 tons baled, inventory	500.	
	Corn, 800 bu., inventory	640.	
	Oats, 500 bu., inventory	300.	
	Wheat, 50 bu., inventory	100.	
Nov. 30	J. F. Gordon Farm, total value		67,915.
Nov. 30	Notes Payable, 6 mo. note at Farmers and Stockmens Bank		2,500.
	Interest and Discount on above	100.	
	Cash, proceeds of above note	2,400	
Nov. 30	Cash, by sunds.		470.
	F. M. Hood, personal, cash on contract	60.	
	C. L. Meyer, personal, do	60.	
	Expense, salaries of Schmidt, Hansen, Gordon and board for Schmidt and Hansen	350.	
Nov. 30	Farm Machinery, 1 grain drill	165.	
	Cash, by above		165.
Nov. 30	Cash, to sunds.	81.30	
	Chickens, eggs sold during month		16.30
	Jersey Cows, milk sold during month		65.
Nov. 30	Expense, by sunds.		439.
	Wheat, breaking 30 acres	90.	
	Wheat, 40 bu. seed @ \$2.	80.	
	Corn, breaking 85 acres @ \$2.	170.	
	Hood Lease, breaking 30 acres @ 1.50	45.	
	Meyer Lease, breaking 20 acres @ 1.50	30.	
	Chickens, grain fed them, etc.	4.	
	Turkeys, grain fed them	3.	
	Hogs, grain fed them	12.	
	Jersey Cows, cane, etc	5.	
Nov. 30	Expense, to sunds.	1,540.	
	Corn, to be used for feed, etc.		640.
	Cane, to be used for feed, etc.		500.
	Oats, to be used for feed, etc.		300.
	Wheat, to be used for feed, etc.		100.
Nov. 30	J. F. Gordon, personal used for family	50.50	
	Chickens, eggs used		4.
	Turkeys, 2 eaten		7.50
	Jersey Cows, milk and butter		12.
	Hogs, 1 hog, 225 lbs. @ 12c		27.
		73,160.80	73,160.80

Lesson No. 3, continued.

Nov. 1, 1917.

(46) The FARM has 600 acres in cultivation and 400 acres in pasture land. The following acreage will be given different crops for year: Cotton, (including the 100 acres in Hood Lease, and 75 acres in Meyer Lease) 350 acres; Oats, 70 acres; Wheat, 30 acres; Produce, 9 acres; Peanuts, 12 acres; Feterita, 4 acres; Cane (sorghum, seed etc.), 25 acres; Corn, 100 acres.

Nov. 30, 1917.

(47) Pay out cash as follows: Hood and Meyer, \$60. each, according to contract with them (No. 38, 39); Schmidt and Hansen, \$75. each, according to contract (No. 40, 41); Gordon, his month's salary of \$150. (No. 30). Also pay board of Schmidt and Hansen for one month (No. 40, 41), \$50.

(48) Make above entries on Journal. (See Model Journal). Cash will be credited for the entire amount, because it gives value. (No. 7). Hood and Meyer will each be charged with \$60. Expense will be charged with the total amount paid Schmidt, Hansen, and Gordon, and with the board of hired men.

(49) Bought one grain drill for cash, amount \$165. Charge Farm Machinery for this amount and credit cash. (No. 6, 7).

(50) Total amount of cash received during month: From eggs (credit chickens), \$16.30; from Milk (credit Jersey Cows), \$65.00. Charge cash with entire amount.

(51) As about all Cane, Corn, Oats and Wheat on hand will be fed to stock and poultry, it will be best to make the following entries NOW: Credit Cane with \$500.; Corn \$640.; Oats, \$300.; Wheat, \$100. Charge Expense with total of above, \$1,540.

(52) Charge Wheat with breaking and seeding 30 acres @ \$3. per acre, total, \$90.; charge Wheat with 40 bu. seed @ \$2. per bu., total \$80.; charge corn with breaking 85 acres @ \$2. per acre, total, \$170.; charge Hood Lease with teams, feed and tools for breaking 30 acres land @ \$1.50 per acre, total, \$45.; charge Meyer Lease with teams, feed and tools for breaking 20 acres land, @ \$1.50 per acre, total, \$30.; Charge Chickens with \$4. grain fed them; charge Turkeys \$3. grain; charge Hogs \$12. grain; charge Jersey Cows \$5. feed. **Credit Expense** with the total of above.

(53) **IMPORTANT.** Accounts are to be kept with Hood Lease and with Meyer Lease charging each with all expenses connected therewith. This is to find the value of the "Tenant" or "Renter" system, and has nothing to do with Hood or Meyer personally.

Lesson No. 3, continued.

(54) Gordon's family used following during month: Eggs, \$4.; Turkeys, (two eaten), \$7.50; Milk and Butter, \$12.; Hogs, (1 butchered), \$27. Charge J. F. Gordon, personal, with total of above. Credit Chickens with \$4., Turkeys with \$7.50, Jersey Cows with \$12., Hogs with \$27.

Nov. 30, 1917.

(55) POSTING FROM THE JOURNAL to the Ledger. This is a most important work, and if well understood, will mean much in this course.

(56) The first step is to open accounts in the ledger. Go through the ledger and number each page 1, 2, 3, etc. At the top of page one write "J. F. Gordon Farm"; one-third down the page write "Real Estate"; one-third further down write "Buildings and Fixtures". In the same manner you will write the names of all the accounts, allowing one-third of a page for each of them, excepting Jersey Cows, Hogs, Chickens, Cash and Expense. For these last you will give a full page.

(57) You will find the first entry on your Journal to be "Real Estate." The amount is \$50,000. in the debit column. Turn to the Real Estate account in the ledger, page 1, and on the left side write the year and date, then write the amount in the left side column (See Model Journal, for this and other entries). Then post Buildings and Fixtures, Wagons and Trucks, Farm Machinery, Mules, Horses, Jersey Cows, Hogs, Chickens, Turkeys, Cane, Corn, Oats, Wheat in the same manner, under the proper account. Credit the J. F. Gordon Farm with the total, on the right side of the ledger.

(58) In like manner, post all other items from the Journal to the Ledger for the month of November.

Lesson No. 3, continued

(59) LEASE CONTRACT.

Kingsburg,....., Nov. 1, 1917.

THIS LEASE CONTRACT entered into this day between J. F. Gordon, Kingsburg, Mason County,, and F. M. Hood, of Kingsburg, Mason, County,, as follows:

Said Gordon hereby leases said Hood One Hundred (100) acres of cultivated land, from his farm located five miles south of Kingsburg, said One Hundred acres being that southwest corner of the Gordon Farm separately fenced, and known as "The Old Miller Place." This One Hundred acres is all to be planted in cotton, by Hood, as provided in following paragraphs.

Hood agrees to cultivate the cotton on this lease under the direction of Gordon, which shall be according to approved methods of cotton raising. Hood agrees to keep the cotton picked to such extent that it will not be seriously damaged by falling out, etc., even though he may have to hire it picked. Should Hood fail to keep up with picking as herein provided, Gordon is hereby granted the right to employ pickers, at the current rate, to pick as much cotton as may be necessary, charging such expense to Hood, and deducting it from his share of the crop.

Gordon is to **furnish free**, cotton seed for planting, teams and machinery for cultivating, and feed for teams. He is also to haul all cotton raised on this lease to the gin, without charge; and is to pay for the ginning of all such cotton.

Gordon is to advance Hood \$60. per month, cash, payable the last day of each month, for Hood's living expenses. The entire amount so advanced, is to be charged against Hood and deducted from his share of the crop.

Gordon is to have charge of the selling of all cotton and seed raised on this lease, and (unless otherwise agreed upon in writing) shall sell same within one week from ginning. The proceeds of such sales are to be deposited in Gordon's name.

This contract shall be in force for one year, beginning Nov. 1, 1917, and ending Oct. 31, 1918. On October 31, 1918, Gordon and Hood shall have settlement on following basis: Gordon shall pay Hood in cash one-half ($1/2$) of the gross proceeds derived from the total sales of cotton and seed raised on this lease, less the \$60. per month advanced Hood during the contract (and less the cost of such picking, if it has been necessary for Gordon to hire some of this cotton picked as provided herein). The remainder of money derived from sale of cotton from this lease, shall be Gordon's.

Signed in duplicate at Kingsburg, Mason County,, this 1st day of Nov., 1917.

(Signed) J. F. Gordon
(Signed) F. M. Hood.

Witness:
R. M. King.

Lesson No. 3, continued

(60) FORM OF NOTE

\$2,500.00 Kingsburg,....., Nov. 1, 1917.

Six months after date, without grace, I, we or either of us, promise to pay to the order of the FARMERS AND STOCKMENS STATE BANK, of Kingsburg, at their office in Kingsburg,.....Twenty-five Hundred and no/100.....Dollars, for value received, with interest at 8% per annum until paid, and ten per cent additional on amount of principal and interest unpaid, as attorney's fees, if placed in the hands of an attorney for collection, or in the event judicial proceedings are instituted to enforce the collection thereof. The makers and endorsers hereof severally waive protest, and consent that the time of payment may be extended without notice.

Due May 1, 1918.

(Signed) J. F. Gordon

(61) CONTRACT FOR FARM LABOR

Kingsburg,, Nov. 1, 1917.

THIS CONTRACT entered into this day between J. F. Gordon, proprietor of the J. F. Gordon Farm, located 5 miles south of the town of Kingsburg, State of, and John Schmidt, of the town of Kingsburg, State of, as follows:

Said Gordon employs said Schmidt to work on above farm for a period of one year, beginning with current date, for which services Gordon agrees to pay Schmidt the sum of Seventy-five Dollars (\$75.00) per month, payable on the last day of each month during the contract.

Said Schmidt, in return for the above compensation, agrees to work faithfully and cheerfully, as a farm laborer on the above farm, carefully obeying the instructions of said Gordon, and striving to further his interests, during the life of the contract.

Signed in duplicate in the town of Kingsburg, County of Mason, State of, this 1st day of Nov., 1917.

(Signed) J. F. Gordon.

(Signed) John Schmidt.

Witness:

R. M. King.

Lesson No. 3, continued.

(62) **TAKING A TRIAL BALANCE.** When you have posted all entries for November according to instructions, run through the ledger and place at the bottom of the debit column of each account the total of that column, in **small pencil figures**. Do the same with the credit columns.

Write the names of the accounts in the ledger, in regular order, on the first page of your trial balance book. Opposite each account write in the debit column of the trial balance book the total amount penciled in that column in the Ledger. In like manner enter amounts found in credit column of Ledger, on credit side of Trial Balance. (Model below).

Add the figures in the debit column of the trial balance, and you will find they make the same **total** as that of the credit column of the trial balance, if your work has been correct.

RULE UP this Trial Balance according to Model below.

Trial Balance Nov. 30, 1917. (In Lesson 3).

J. F. Gordon Farm		67,915.
Real Estate	50,000.	
Buildings and Fixtures	8,300.	
Wagons and Trucks	2,000.	
Farm Machinery	1,665.	
Mules	3,000.	
Horses	400.	
Jersey Cows	605.	77.
Hogs	412.	27.
Chickens	79.	20.30
Notes Payable		2,500.
Corn	170.	
Wheat	270.	100.
Interest and Discount	100.	
F. M. Hood, Tenant	60.	
C. L. Meyer, Tenant	60.	
Hood Lease	45.	
Meyer Lease	30.	
Turkeys	103.	7.50
Expense	1,890.	439.
Cash	1,846.30	
J. F. Gordon, personal	50.50	
	71,085.80	71,085.80

MAKE YOUR REPORT on Lesson 3, as follows: Send your teacher your Ledger, Journal and Trial Balance Book.

Also send in copy of following: Lease with F. M. Hood; Lease with C. L. Meyer; Contract with John Schmidt; Contract with Felix Hansen; Note to Farmers and Stockmens Bank. Be sure to check this report carefully and see that you have left nothing out. Mail promptly and begin on next lesson.

Lesson No. 4.

(64) **IMPORTANT.** Throughout the remainder of this set the **total amounts** of all business done during the month, will be given at the **end** of each month.

Dec. 31, 1917.

(65) Total cash received for month as follows: Eggs, \$88. (just before Christmas and eggs were high); Milk, \$80.; 15 Turkeys, 225 lbs. @ 30c; Hogs, 580 lbs. @ 12c. Credit each of these accounts for the proper amounts (figure them out, for practice). Charge Cash with the total.

(66) Paid out cash for month as follows: Hood's and Meyer's drawing accounts, Schmidt's, Hansen's and Gordon's salaries, and board. Make same entries on journal as in November.

(67) Traded Cane to White Elevator Co. for following: 1,000 lbs. wheat bran @ \$3. per C (hundred); 500 lbs. cotton seed meal @ \$4. per C; 2,000 lbs. corn bran @ \$2.50 per C; figure this out. You will find the total amount to be \$100. As all of this is to be fed Jersey Cows, you will charge Jersey Cows for \$100. No cash was used, but Cane paid for the bill, therefore Expense will be **credited** with \$100. Why credit Expense?

(68) Charge Chickens with \$6. feed; charge Turkeys with \$7. feed; charge Hogs with \$100. feed; charge Jersey Cows with \$25. feed. Credit Expense with total amount. (No. 52).

(69) Gordon's family used following during month: Eggs, \$8; Turkeys, \$9; Hogs, 450 lbs. @ 12c (figure it out); Milk, \$12. Make entries same as you did in November.

(70) Credit Expense with following: Corn, breaking 15 acres @ \$2.; Cotton, breaking 25 acres @ \$2.; Oats, breaking 70 acres @ \$2.; Produce, breaking 9 acres @ \$3.; Hood Lease, breaking 40 acres @ \$1.50; Meyer Lease, breaking 40 acres @ \$1.50. Charge each account as you did in November.

(71) Post all items to ledger, the same as in November. Then take trial balance same as in November.

(72) **MAKE YOUR REPORT** on Lesson 4 as follows: On a separate sheet of paper, send copy of your **Journal Entries** for **December** only; on another sheet of paper send copy of your **trial balance** for December. Ask any questions you wish.

Mail this report promptly and begin on next lesson.

Lesson No. 5.

Jan. 31, 1918.

(73) Received cash for month: Eggs, \$42; Milk, \$80; Hogs, 2,300 lbs. @ 11c. Make proper entries in same manner as last month.

(74) Paid out cash for month: Drawing accounts, salaries and board the same as December; Farm Machinery, for repairs, etc., \$18; Wagons and Trucks, gas and repairs, \$23. Make entries same as last month.

(75) Credit Expense with following total, and charge each account, same as December: Chickens, \$5; Turkeys, \$2; Hogs, \$100; Jersey Cows, \$40; Oats, harrowing and drilling 70 acres, \$50; Oats, 100 bu. seed @ 60c; Feterita, breaking 4 acres @ \$2; Cane, breaking 25 acres @ \$2; Hood Lease, breaking 30 acres @ \$1.50; Meyer Lease, breaking 15 acres @ \$1.50; Cotton, breaking 100 acres @ \$2.

(76) Gordon's family used following during month: Eggs, \$4; Milk, \$11; Hogs, 1,000 lbs. @ 11c. Make entries as in last month.

(77) Post all entries for month, and take trial balance.

(78) MAKE YOUR REPORT on Lesson 5 as follows: On separate sheet of paper send in copy of journal for month. On another sheet of paper send in copy of trial balance. Are you having any trouble of any kind, if so what is it? Mail this report at once.

Lesson No. 6.

Feb. 28, 1918.

(79) Received cash for month: Eggs, \$35; Milk, \$80. Make usual entries.

(80) Paid out cash for month: Drawing accounts, salaries and board as usual; wagons and trucks, repairs, tires, gas, \$55; farm machinery, repairs, \$5.90. Usual entries.

(81) Credit Expense with total and charge each account as usual: Chickens, \$7; Turkeys, \$3; Hogs, \$12; Jersey Cows, \$20; Cotton, breaking 50 acres @ \$2; Peanuts, breaking 12 acres @ \$2; Produce, harrowing 9 acres @ 50c; Hood Lease, harrowing 100 acres @ 35c; Meyer Lease, harrowing 75 acres @ 35c; Corn, harrowing 175 acres @ 50c.

(82) Gordon's family used following during month: Eggs, \$5; Milk \$12. Usual entries.

(83) Bought 1 Incubator on 60 days time from the Peerless Hardware Co., for \$75. This incubator is to be used for **chickens**, so you will **charge** that account with \$75. Peerless Hardware Co. gave you value without receiving anything in return, hence you will **credit** them for \$75.00.

(84) Put aside four sacks of bran to be fed Chickens in future. Charge Chickens with this amount. As this bran had already been charged to Jersey Cows, you will now **credit** Jersey Cows for \$8.

(85) Post to ledger and take trial balance, same as last month.

(86) MAKE YOUR REPORT to your teacher the same as for January.

Lesson No. 7.

March 31, 1918.

(87) Received cash for month: Eggs, \$33; Milk, \$80. Make usual entries.

(88) Cash paid out for month: Drawing accounts, salaries and board as usual; wagons and trucks, \$4.50; farm machinery, \$5.40; Cotton, seed for planting, \$125; Feterita, seed, \$5.; Produce, seed (including potatoes, etc.), \$55; Cane, seed, \$45.

(89) The Peerless Hardware Co. will give a discount of 5% for paying cash now. Discount their bill. Five per cent of \$75.00 will be \$3.75. Credit interest and discount with \$3.75. This will leave \$71.25 to be paid in cash, so you will credit cash for this amount. Then as Peerless Hardware Co. have received payment in full, you will charge them with \$75. Below is how this will appear on your journal:

Peerless Hardware Co., payment in full	75.00	
Interest and Discount, 5% on above		3.75
Cash, amount paid on above account		71.25

(90) Credit Expense with total of following and charge each account with proper amount: Chickens, \$6; Turkeys, \$3; Hogs, \$10; Jersey Cows, \$20; Corn, planting 100 acres @ 50c; Produce, planting 9 acres, \$20; Hood Lease, planting 50 acres @ 80c; Meyer Lease, planting 50 acres @ 80c; Feterita, planting 4 acres, harrowing, rolling, etc., \$8; Cane, 25 acres @ 50c; Cotton, planting 100 acres @ 50c.

(91) Gordon's family used following during month: Eggs, \$4.30; Milk, \$12. Enter correctly.

(92) Post to ledger and take trial balance.

(93) MAKE YOUR REPORT on Lesson 7, the same as usual. Always ask for any information you may need.

Lesson No. 8.

Apr. 30, 1917.

(94) Cash rec'd. for month: Eggs, \$34; Milk \$80. Usual entries.

(95) The note for \$2,500. is now due at the Farmers and Stockmens Bank. Gordon also needs money to finance the harvesting of his crops. He will therefore borrow \$4,000. from the First National Bank for six months, at 8%.

(96) Make entries for this loan the same as you did for the bank loan in November. Also write out note to above bank for the proper amount.

(97) Pay the Farmers and Stockmens Bank \$2,500, in full of note given November 1st. As you paid the interest on this note in advance, at the time you borrowed the money, there will be no interest to pay now. When you borrowed this money, you **credited** Notes Payable with \$2,500. Now that you are paying this note, you **charge** Notes Payable with \$2,500. on the journal, and give Cash credit for \$2,500. on the journal. Be sure to get this note back marked "Paid."

Total Cash paid out for month: Drawing accounts, salaries and board, as usual; peanuts, seed, \$44; farm machinery, 2 cultivators, and one cotton planter, \$303; wagons and trucks, \$8; expense, extra labor, \$65.

(98) Credit Expense with total of following and charge each account with proper amount: Cotton, planting 75 acres @ 50c; Cotton, plowing 100 acres @ 50c; Produce, planting and cultivating, \$25; Peanuts, planting and cultivating, \$18; Corn, plowing 100 acres @ 50c; Hood Lease, plowing and planting, \$60; Meyer Lease, plowing and planting, \$40; Chickens, \$6; Turkeys, \$3; Hogs, \$8; Jersey Cows, \$20; Cane, plowing, etc., \$1.

(99) Gordon's family used following during month: Eggs, \$4; Milk, \$12; Produce (vegetables), \$5. Usual entries.

(100) Post to ledger and take trial balance.

(101) **MAKE YOUR REPORT** on Lesson 8 as follows: Mail teacher your ledger, trial balance, and journal, just as they are. Also send in note for \$4,000. you have made out to First National Bank. Be sure that you do all of this.

Lesson No. 9.

May 31, 1918.

(102) Cash rec'd. for month: Eggs, \$32.00; Milk, \$80.00; Produce, (vegetables, etc.), \$70.00.

(103) Cash paid out for month: Drawing accounts, salaries and board; Wagons and Trucks, \$20.00; Cotton, labor in cultivation, \$150.00.

(104) Credit Expense and charge each account as follows: Chickens, \$5.00; turkeys, \$3.00; hogs, \$8.00; Jersey cows, \$15.00; cotton, plowing, etc., \$100.00; corn, plowing, etc., \$75.00; produce, \$20.00; feterita, \$8.00; peanuts, \$12.00; Hood lease, plowing, \$40.00; Meyer lease, plowing, \$30.00; cane, labor weeding, etc., \$4.00.

(105) Gordon's family used following during month: Eggs, \$5.00; Milk, \$12.00; produce (vegetables), \$8.00.

(106) Fed to Hogs, \$5.00 worth of Produce (vegetables); fed to Jersey cows, \$5.00 worth of produce. According to No. 6 and 7, you should **charge** hogs, and Jersey cows, \$5.00 each; and **credit** produce, \$10.00.

(107) Post to ledger and take trial balance, after making proper entries.

(108) **MAKE YOUR REPORT** as follows: On a separate sheet of paper, send in copy of your journal for month of May only; on another sheet, send in copy of your trial balance for May.

Lesson No. 10.

June 30, 1918.

(109) Cash rec'd. for month: Eggs and Friers, \$35.00; Milk, \$80.00; Produce (melons, potatoes and vegetables) \$225.00.

(110) Cash paid out for month: Drawing accounts, salaries and board; oats (binder twine, \$11.00; labor in harvesting, \$28.00), total \$39.00; wheat (twine, \$5.00; labor, \$12.00), total \$17.00; farm machinery, 1 McCormick Self-Binder, \$185.00; wagons and trucks, \$15.00; cotton, extra labor, \$40.00; corn, extra labor, \$25.00.

(111) Credit Expense with total of following and charge each account with proper amount: Cotton, labor, \$30.00; produce, labor, \$45.00; feterita, labor, \$10.00; peanuts, labor, \$8.00; chickens, \$8.00; turkeys, \$6.00; hogs, \$4.00; Jersey cows, \$5.00; oats, labor in harvesting, \$70.00; wheat, labor in harvesting, \$30.00; Hood lease, plowing, etc., \$40.00; Meyer lease, plowing, etc., \$30.00.

(112) Fed Hogs Cane, \$5.00; fed Hogs, Produce, \$10.00.

(113) Fed Jersey Cows, Cane, \$10.00; fed Jersey Cows, Produce, \$10.00.

(114) Put \$200. worth of sheaf oats in barn for feed. Charge Expense and credit Oats for \$200. Why do you do this?

(115) Gordon's family uses following for month: Eggs, \$14.50; Milk, \$14; Produce, \$15.

(116) When you have posted all of these entries correctly, take trial balance.

(117) MAKE YOUR REPORT on Lesson 10 in the same manner as you reported in May.

Lesson No. 11.

July 31, 1918.

(118) Rec'd. cash as follows: Oats, 2,000 bu. @ 50c; Wheat, 400 bu. @ \$2; Eggs, \$42; Friers, \$50, (all credited to chickens); Milk, \$80; Produce, \$403; Cane, 10 tons @ \$8.

(119) Cash paid out for month: Salaries, drawing accounts and board; Oats (labor in threshing, \$65; sacks, \$40; threshing 2,500 bu. @ 5c), total \$..... (figure it out); Wheat (labor, \$35; sacks, \$40; threshing 600 bu. @ 10c), total \$..... (figure it out); Cane, labor, etc., \$10; Wagons and Trucks, \$25.

(120) Credit Expense with total of following and charge each account with the proper amount: Produce, labor, \$50; Peanuts, labor, \$5; Chickens, \$2; Hogs, \$2; Jersey Cows, \$10; Hood Lease, plowing etc., \$40; Meyer Lease, plowing, etc., \$30; Oats labor in harvesting, \$140; Wheat, labor in harvesting, \$60.

(121) Credit Produce with \$40., as follows: Fed Hogs, \$20; fed Jersey Cows, \$20. Which accounts do you charge?

(122) Fed Hogs Cane, \$8. Which account do you charge and which do you credit?

(123) Gordon's family used following: Eggs, \$6.25; Friers, \$10; Milk, \$13; Produce, \$20.

(124) When you have made all of above entries correctly, post to ledger and take trial balance.

(125) MAKE YOUR REPORT on Lesson 11 in the same way as last month. Be sure you send it in promptly.

Lesson No. 12.

Aug. 31, 1918.

(126) Rec'd. cash during month: Eggs, \$30; Milk \$80; Produce, \$102; Cotton, 5 bales, 2,500 lbs. @ 30c; Hood Lease, 3 bales, 1,500 lbs. @ 30c, and 3,000 lbs. seed @ \$50. per ton; Meyer Lease, 2 bales, 1,000 lbs. @ 30c, and 2,000 lbs. seed @ \$50. per ton. Figure all of these amounts very carefully and make usual entries.

(127) Paid out cash for month: Drawing accounts, salaries and board; Cotton, picking 3 bales, 4,500 lbs. @ 75c per C (hundred), ginning 5 bales @ \$5; also \$15 for sacks, total \$73.75; Hood lease, ginning 3 bales @ \$5; Meyer Lease, ginning 2 bales @ \$5 and extra labor; Wagons and Trucks, \$8.

(128) Credit Expense for total and charge each account for proper amount: Produce, labor, \$20; Peanuts \$5; Chickens, \$4; Turkeys, \$2; Hogs, \$4; Jerseys, \$8; Cotton, picking 3,000 lbs. @ 75c, and hauling 5 bales to gin @ \$5; Hood Lease, hauling cotton to gin, \$15; Meyer Lease, hauling cotton to gin, \$10; Corn, cutting and hauling corn fodder, \$100.

(129) Fed \$15 produce to Hogs; fed Jersey Cows, \$10 worth of produce. What accounts do you charge, and which account do you credit?

(130) Gordon's family used following: Eggs and friers, \$10; Produce, \$10; Milk, \$12.

(131) Make proper entries, post to ledger, and take trial balance.

(132) MAKE YOUR REPORT as usual, on Lesson 12.

Lesson No. 13.

Sept. 30, 1918.

(133) Rec'd. cash as follows: Eggs, \$32; Milk \$80; Cotton, 17 bales, 8,500 lbs. @ 25c; also $8\frac{1}{2}$ tons seed @ \$50 per ton, total \$...... (figure it out); Hood Lease, 10 bales, 5,000 lbs. @ 25c, and 5 tons seed @ \$50; Meyer Lease, 8 bales, 4,000 lbs. @ 25c, and 4 tons seed @ \$50; Corn, 2,000 bu. @ 90c.

(134) Paid out cash as follows: Drawing accounts, salaries and board; Cotton, picking 24,000 lbs. @ 90c, and ginning 17 bales @ \$5; Hood Lease, ginning 10 bales @ \$5; Meyer Lease, ginning 8 bales @ \$5; Wagons and Trucks, \$30; Jersey Cows, bran, meal, etc., bought and placed in barn, \$75.

(135) Credit Expense with total and charge each account with proper amount: Chickens, \$5; Turkeys, \$4; Cotton, picking 1,500 lbs @ 90c, and hauling 17 bales @ \$5; Corn, gathering 3,500 bu., \$125; Cane, cutting, shocking, hauling and baling, \$100; Hood Lease, hauling 10 bales @ \$5; Meyer Lease, hauling 8 bales @ \$5.

(136) Hogs and Jersey Cows ran in corn field. Estimated that Hogs ate \$50 worth of corn, and that Jerseys ate \$20 worth of corn and grass. Charge Hogs and Jerseys for proper amounts and credit Corn for total.

(137) Gordon's family used following: Eggs, \$6; Milk, \$12; Produce, \$10.

(138) Make these entries correctly, post to ledger and take trial balance.

(139) MAKE YOUR REPORT as usual, trying your utmost to be perfectly correct.

Lesson No. 14.

Oct. 31, 1918.

(140) Rec'd. cash as follows: Eggs, \$34, and 200 chickens @ 75c; Milk, \$80; Cotton, 35 bales, 17,500 lbs. @ 20c, and 17½ tons seed, \$600; Hood Lease, 20 bales, 10,000 lbs. @ 20c, and ten tons seed @ \$40; Meyer Lease, 15 bales 7,500 lbs. @ 20c, and 7½ tons seed @ \$40; Hogs, 20 head, 3,000 lbs. at 12c; Feterita, 200 bu. @ 90c; Peanuts, baled, \$300; Cane, 50 bu. seed @ \$2; Produce, 150 bu. sweet potatoes @ \$1; Turkeys, 100 @ \$2.50; Corn, pumpkins in corn field, \$50.

(141) Paid out cash as follows: Drawing accounts, salaries and board; Cotton, picking 52,500 lbs. @ \$1, and ginning 35 bales @ \$5; Hood Lease, ginning 20 bales @ \$5; Meyer Lease, ginning 15 bales at \$5; Hogs, shipping charges, \$25; Feterita, threshing same, \$25; Peanuts, baling, \$25; Cane, threshing 75 bu. seed @ 10c; Wagons and Trucks, \$40.

(142) Credit Expense and charge other accounts as follows: Cotton, hauling 35 bales @ \$5; Meyer Lease, hauling 15 bales @ \$5; Hood Lease, hauling 20 bales @ \$5; Hogs, labor, etc., \$25; Peanuts, labor, etc., \$50; Feterita, labor, \$25; Cane, labor, \$75; Turkeys, shipping, etc., \$10; Corn, gathering pumpkins, etc., \$15; Produce, \$40.

(143) Credit Corn with following total: Fed Hogs (corn and pumpkins out of corn field) \$140; Turkeys, fed \$9; Chickens, fed \$9; Jersey Cows, fed them \$10 pumpkins. Charge each account with the proper amount.

(144) Gordon's family used following: Eggs and Chickens, \$8; Milk, \$12; Turkeys, eaten, \$8; Produce, \$10.

(145) Paid following in cash: State and County taxes, \$550; note at the bank for \$4,000. You will credit cash for total of above. Charge State and County taxes for \$550, and charge Notes Payable for \$4,000.

(146) Make proper entries, post to ledger and take trial balance.

Lesson No. 15.

(147) **PAYING OFF HOOD AND MEYER.** The Hood Lease account on the Ledger now shows a debit of \$735, and a credit of \$4425. As Hood is to get one-half of the proceeds from his lease, you will credit him for one-half of \$4425., \$2212.50. Do this in the following manner: On the journal, enter "F. M. Hood, personal, Cr. \$2212.50"; "Hood lease, Dr. \$2212.50." Post this to the ledger and it will show Hood's personal account, total debit, \$720; total credit, \$2212.50. Of course, before you pay Hood, you must **collect** from him this \$720, which is the money you have advanced at the rate of \$60 per month. The difference between the debit and credit sides of this account is \$1492.50. You will enter on your journal: "F. M. Hood, personal, in full payment of account, \$1492.50," and credit cash for the same amount.

(148) You will realize that Meyer will be settled with on the same principle as Hood. Turn to the Meyer Lease account, and the C. L. Meyer, personal, account, and handle them in just the same manner as you did with Hood's.

HOW TO FIND YOUR PROFITS OR LOSSES.

(149) You have now come to the most important part of your record keeping. You should be able to figure just how much you have lost or gained on each account, and what your total gain or loss is.

(150) Some of the accounts may have become more valuable during the year. On the other hand some of them may have become less in value. Some of them may have neither increased or decreased in value. We want to go through the ledger and estimate the value of those things on hand. This is called **taking an inventory.**

(154) The first account we will consider is Real Estate. This has not changed in value during the year. Write on the **credit** side in **red ink**, the date and "inventory \$50,000". There will be no loss or gain on this account, of course.

(152) Buildings and Fixtures have **decreased** 5% in value. Taking 5% from the total value of \$8,300, leaves an inventory of \$7,885., which you will write on the **credit side** of the account in **red ink**, just as you did in Real Estate. It is easy to see that there has been a 5% loss on this account, which would be \$415. Write on the **credit** side in **red ink**, the date and "net loss \$415. **NOTE.** You will notice that you would have gotten the net loss just the same by subtracting the credit side of the account from the debit.

Lesson No. 15, continued.

(153) Wagons and Trucks are worth \$1,800. This is the inventory. As Wagons and Trucks cost, including repairs, etc., \$2228.50, the net loss will be \$428.50. Enter same as Buildings and Fixtures.

(154) Farm Machinery is inventoried at \$1,350. This machinery cost, including repairs, etc., \$2,182.30, leaving a net loss of \$832.30. Enter as usual.

(155) Mules are inventoried at \$2,550, leaving a net loss of \$450. Figure it out and enter.

(156) Interest and Discount is charged with \$260, and credited with \$3.75. This makes a net loss of \$256.25. Write, in red ink, on the credit side, "net loss, \$256.25."

(157) Expense is debited with \$6,005, and credited with \$4,696.75. This makes a net loss of \$1,308.25. Enter same as in Interest and Discount.

(158) Feterita shows an inventory of \$25. Write this on the credit side in red ink, which added to the credit of \$180, makes \$205. total credit. The total debit, or cost, of this feterita, is \$89. The difference between \$89. (debit) and \$205. (credit) is \$116. This is the **net gain**. Write on the **debit** side, in red ink, the date and "net gain \$116."

(159) The inventory of Jersey Cows (including calves) is \$725. Add this to the credit, subtract the debit, and find the net gain in the same manner as in Feterita.

(160) In the same way, proceed with the following accounts, inventories given: Hogs, inventory, \$900; Chickens, inventory, \$100; Cane, inventory, \$550; Corn, inventory, \$1560; Oats, inventory, \$450; Wheat, inventory, \$410; Turkeys, inventory, \$250; Produce, inventory, \$100; Peanuts, inventory, \$400; Cotton, inventory, \$100 (seed on hand).

(161) The Hood Lease (not Hood's personal account), shows a debit of \$2,947.50, and a credit of \$4,425. Taking the debit (or cost) from the credit side, leaves a net gain of \$1,477.50. Write in red ink on the debit side "net gain \$1477.50."

(162) Handle the Meyer Lease in the same manner as the Hood Lease.

(163) Bills Payable account is the same on each side, and therefore there can be no loss or gain. There can be no loss or gain on Cash account. J. F. Gordon, private, will pay this account into the business, so there will be no loss or gain on same. The J. F. Gordon Farm account is capital invested and is not taken up yet.

Lesson No. 15, continued.

(164) **MAKING OUT THE BALANCE SHEET.** Ask your teacher for balance sheet paper ruled like that on page 29, or take some blank paper and rule it the same way yourself, writing "ledger accounts", "trial balance", "resources", "liabilities", "losses" and "gains" over the proper columns. The word "resource" means anything of value which you could turn into money. The word "liability" means anything for which you are going to have to pay.

(165) Open your ledger and place your balance sheet before you. Write in the "ledger accounts" column, "J. F. Gordon Farm." Write on the credit side of the "trial balance" column, "67,915." Write in the "liabilities" column, "67,915." **NOTE.** \$67,915. is the investment on this farm and must be returned, before there could be a gain. It is therefore a **liability**.

(166) In the same manner as you entered the J. F. Gordon Farm, go through the ledger and enter all other accounts on the balance sheet, working them out as shown in the Model Balance Sheet, page 29. **IMPORTANT.** Study the model balance sheet before you try to work this out, and then see if you cannot do it all from memory, and from use of the principles you have learned.

(167) This balance sheet will show you that the **NET GAIN** on the entire farm is \$12,810.15. This added to the investment of \$67,915, makes the **present worth** of J. F. Gordon Farm \$80,725.15. In other words, if Gordon would now sell out for cash, he would have \$80,725.15 cash on hand.

(168) Gordon should pay in to the business the \$528.55 he owes on personal account. Enter on journal: Cash, recd. from J. F. Gordon, personal account, \$528.55. J. F. Gordon, credited in full by above payment, \$528.55. Post this to ledger.

(169) Open a Loss and Gain account in your ledger. On the left side write the names of all those accounts which show a loss on the balance sheet, and in the left hand column write the amount of the loss as shown on the balance sheet. Write on the right side of the loss and gain account the names of all those accounts that show a gain on the balance sheet, with the proper figures in the right hand column. When you find the difference between the total of the left hand column and that of the right hand column, you will have the net gain \$12,810.15. Write in red ink, on the left side of the loss and gain account "net gain, transferred to J. F. Gordon Farm, \$12,810.15." Enter this \$12,810.15 on credit side of J. F. Gordon Farm, in black ink.

(170) On the debit side of the J. F. Gordon Farm account, write in red ink, "J. F. Gordon Farm, present worth, \$80,725.15." Rule this account up and bring down inventory on **credit side**, in black ink, as shown on page 30.

(171) Rule up Real Estate and bring down inventory on debit side in black ink. Rule up all other accounts having inventories in same manner. Those accounts not having inventories will balance, and the footings will be ruled up properly.

(172) **MAKE YOUR REPORT** on Lesson 3 as follows: Mail in to your teacher your journal, ledger, trial balance book and balance sheet for approval.

Figure out a **Statement of Results**, showing **how much to the acre** Gordon has made on each crop, and on **which kind of stock or poultry** he has **made the most money**, according to the amount of money invested. Mail this in also.

Write teacher what you think of this set of Farm-Ranch Bookkeeping, and how much benefit you have received from same. Send all these reports together.

(173) If this work has been thoroughly satisfactory, your teacher will return your books, approved, and also a **CERTIFICATE** stating you have finished this first set.

Model Balance Sheet

Ledger Accounts	Trial Balance		Resources	Liabilities	Losses	Gains
J. F. Gordon Farm		67,915.		67,915.		
Real Estate	50,000.		50,000.			
Buildings and Fixtures	8,300.		7,885.		415.	
Wagons and Trucks	2,228.50		1,800.		428.50	
Farm Machinery	2,182.30		1,350.		832.30	
Mules	3,000.		2,550.		450.	
Horses	400.		400.			
Feterita	89.	180.	25.			116.
Jersey Cows	1,028.	1,099.	725.			796.
Hogs	963.	873.60	900.			810.60
Chickens	225.	742.35	100.			617.35
Notes Payable	6,500.	6,500.				
Cane	305.	203.	550.			448.
Corn	1,367.50	2,728.	1,560.			2,920.50
Oats	729.	1,200.	450.			921.
Wheat	512.	900.	410.			798.
Interest and Dis.	260.	3.75			256.25	
F. M. Hood, personal, (balanced)						
C. L. Meyer, personal, (balanced)						
Hood Lease	2,947.50	4,425.				1,477.50
Meyer Lease	2,238.75	3,350.				1,111.25
Turkeys	155.	342.	250.			437.
Produce	306.50	1,123.	100.			916.50
Peanuts	191.	300.	400.			509.
Cotton	2,328.25	7,400.	100.			5,171.75
Expense	6,005.	4,696.75			1,308.25	
Cash	10,641.60		10,641.60			
J. F. Gordon, personal	528.55		528.55			
Taxes	550.				550.	
Net Gain					12,810.15	
					17,050.45	17,050.45
Add Net Gain to Investment				12,810.15		
J. F. Gordon Farm Present Worth				80,725.15		
Present Worth equals resources			80,725.15			
	103,981.45	103,981.45				

Model Ledger

J. F. Gordon Farm

1918				1917			
Oct.	31	Present Worth	80,725.15	Nov.	1	Inventory	67,915.
				1918			
				Oct.	31	Net Gain	12,810.15
			80,725.15				80,725.15
				1918			
				Oct.	31	Present Worth	80,725.15

REAL ESTATE

1917				1918			
Nov.	1	Inventory	50,000.	Oct.	31	Inventory	50,000.
1918							
Oct.	31	Inventory	50,000.				

BUILDINGS and FIXTURES

1917				1918			
Nov.	1	Inventory	8,300.	Oct.	31	Inventory	7,885.
				Oct.	31	Net Loss	415.
			8,300.				8,300.
1918							
Oct.	31	Inventory	7,885.				

WAGONS and TRUCKS

1917				1918			
Nov.	1	Inventory	2,000.	Oct.	31	Inventory	1,800.
1918				Oct.	31	Net Loss	428.50
Jan.	31		23.				
Feb.	28		55.				
Mar.	31		4.50				
Apr.	30		8.				
May	31		20.				
June	30		15.				
Jul.	31		25.				
Aug.	31		8.				
Sep.	30		30.				
Oct.	31		40.				
			2,228.50				2,228.50
1918							
Oct.	31	Inventory	1,800.				

Model Ledger

CORN

1917			1917				
Nov.	1	Inventory	640.	Nov.	1	640.	
Nov.	30		170.	1918			
Dec.	31		30.	Sep.	30	1,800.	
Feb.	28		87.50	Sep.	30	70.	
Mar.	31		50.	Oct.	31	50.	
Apr.	30		50.	Oct.	31	168.	
May	31		75.	Oct.	31	Inventory	1,560.
June	30		25.				
Sep.	30		125.				
Oct.	31		15.				
Oct.	31		100.				
Oct.	31	Net Gain	2,920.50				
			4,288.				4,288.

1918

Oct. 31 Inventory 1,560.

LOSS and GAIN

Oct. 31, 1918

Losses		Gains	
Buildings and Fixtures	415.	Feterita	116.
Wagons and Trucks	428.50	Cane	448.
Farm Machinery	832.30	Corn	2,920.50
Mules	450.	Oats	921.
Interest & Disct.	256.25	Wheat	798.
Expense	1,308.25	Hood Lease	1,477.50
Taxes	550.	Meyer Lease	1,111.25
Net Gain	12,810.15	Turkeys	437.
		Cotton	5,171.75
		Produce	916.50
		Peanuts	509.
		Chickens	617.35
		Hogs	810.60
		Jersey Cows	796.
		17,050.45	17,050.45

NOTES PAYABLE

1918			1917		
Apr.	30	2,500.	Nov.	1	2,500.
Oct.	31	4,000.	1918		
			Apr.	30	4,000.
		6,500.	6,500.		

Part II.

INTRODUCTION. Having completed **Part 1**, of **Farm-Ranch Bookkeeping**, where you have kept records of the cost of raising various kinds of crops and stock, and figured out just how much net gain you have made on each, you should now be ready to profit by this experience, and to turn most of your attention to those things you find the most profitable.

(175) The **STATEMENT OF RESULTS** shows you the net profit per acre on each kind of crop raised; also the percentage of gain on the investment in each kind of stock or poultry. Oats made the lowest average of profit per acre, but there are several things that should be said about this oat crop. In the first place, you have a large quantity of oat straw on hand, which is worth considerable money. Then, again, all of your stock grazed on the green oats in the latter part of the winter. Had you sowed these oats in the fall, your cows, and all other stock, would have received much benefit. This is brought out here just to show you how many times we overlook the real value of certain things.

(176) It will be seen that cotton raised by the Tenant or Renter System, made a very low average of profit per acre, even when the Tenant farmed on "halves." The tenants themselves made very good wages, but J. F. Gordon made only half as much net profit on the cotton land so farmed, as he did on that farmed by hired labor. In part II, no land will be leased to tenants.

(177) Certain crops that have not been cultivated on a large scale before, have yielded a splendid profit. Stock and poultry have also shown surprising gains on amount invested. As the raising of certain crops can be made much more profitable in connection with stock raising, Gordon decides on the following:

(178) **POLICY FOR THE SECOND YEAR:** To plant those crops that not only yield the best profits themselves, but that are of most assistance in raising stock; to specialize on the raising of fine stock and poultry which can always be sold at fancy prices; to build up a first-class dairy, etc.

(179) **This program is based on FACTS.** A certain breeder of fine hogs, located in the Southwest, has in a few years built up a business where his sales reach as high as \$35,000. per annum.

A few enterprising individuals, taking advantage of the climate and forage possibilities of the South, have within a short time developed one of the most remarkable dairies in the world. The animals from this dairy take off the highest honors in the national shows. The butter manufactured by this firm is unsurpassed, and one city alone, located more than a hundred miles from the dairy, consumes a thousand pounds of its butter each week.

A small railroad system which runs through a region of the South formerly supposed to be poverty-stricken, has for several years been stressing **DIVERSIFICATION**. The result is that a single branch of this railroad now ships as much as \$5,000,000. worth of eggs per year, and the people along the entire system are now selling \$90,330,000. more each year than they buy.

Lesson No. 16.

Nov. 1, 1918.

(180) **STARTING OUT** on another year. You will arrange to plant crops this year as follows: Corn, 200 acres; Cotton, 100 acres; Wheat, 100 acres; Oats, 50 acres; Produce, 50 acres; Cane, 25 acres; Peanuts, 25 acres; Feterita, 10 acres; Sudan Grass, 10 acres; Alfalfa, 30 acres.

(181) Write a contract with John Schmidt, as farm laborer for one year, @ \$75. per month and board.

(182) Write a similar contract with Felix Hansen; also hire Joe Black at \$50. per month and board. No contract will be made with Black.

Nov. 1 to Nov. 30, 1918.

(183) As all grain, feed and cotton seed on hand will be used for stock, or for seed, **charge** Expense with the following total and credit each account for the proper amount: Feterita, \$25; Cane, \$550; Corn, \$1,560; Oats, \$450; Wheat, \$200 (remainder of wheat will be sold for cash).

(184) Total cash received during month: Eggs, \$15; Milk, \$80; Mules, 6 head (sold because purchasing tractor) @ \$150.00; Jersey Cows, 4 head (these cows were not good milkers) @ \$60; Wheat, \$210; Cotton, seed sold, \$100; Produce, potatoes sold, \$100.

(185) Total cash paid out during month: Salaries and board (Gordon, \$150; Schmidt and Hansen, \$75 each; Black, \$50; also \$75 board for the 3 hired men; total, \$425, which charge to Expense); Farm Machinery (1 Twentieth Century Tractor, with plows), \$1,500; Alfalfa (pump and irrigating plant to water 30 acres near river), \$1,200; Hogs (1 registered male, @ \$1,000 and 5 registered sows, already bred, @ \$300), total, \$2,500; Jersey Cows (1 registered bull @ \$1,500 and 15 fine blooded, fresh, cows @ \$200), total, \$4,500.

(186) Credit Expense with total and charge each account as follows: Corn, breaking 50 acres @ \$1; Wheat, breaking and seeding 100 acres @ \$1.25, and 100 bu. seed @ \$2; Oats, breaking and seeding 50 acres @ \$1.25, and seed, \$100; Jersey Cows, feed, etc., \$20; Chickens, feed, etc., \$4; Turkeys, feed, \$3; Hogs, feed, \$25.

(187) Gordon used following for family during month: Eggs, \$5; Milk, \$13. Make usual entries.

(188) **POST TO LEDGER** in usual manner. If any of the accounts are becoming crowded, rule up and transfer footings to another page. Take trial balance.

(189) **MAKE YOU REPORT** as follows: Send in your trial balance book, and your ledger; also the following: Contract with John Schmidt and contract with Felix Hansen. Ask any questions you wish. You should now be able to make entries neatly and correctly with little assistance.

Lesson No. 17.

Dec. 31, 1918.

(190) Total cash recd. for month: Milk, \$405; Eggs, \$50; Peanuts, sold for seed at fancy price, \$350; Turkeys, 1,000 lbs. @ 30c.

(191) Total cash paid out for month: Expense, salaries and board, \$425; Chickens (2 fine blooded roosters @ \$20 each, and 20 fine hens @ \$5), total \$140; Farm Machinery (gas for tractor, repairs, etc.), \$18; Buildings and Fixtures, paint for houses, fences, etc., \$250; Jersey Cows, feed, \$100.

(192) Credit expense with total and charge each account as follows: Labor in painting houses, fences, etc., \$100, which charge to Buildings and Fixtures; Corn, breaking 150 acres @ \$1; Produce, breaking 50 acres @ \$1; Cotton, breaking 100 acres @ \$1; Jersey Cows (labor in milking, etc., \$30; Hogs, corn fed them, etc., \$150; Chickens, feed, \$8; Turkeys, feed, \$10.

(193) Gordon's family used following during month: Eggs, \$8, and chickens eaten, \$6; Turkeys eaten, \$11; Milk, \$12; Produce, potatoes, etc., \$4.

(194) Gordon makes a contract with the Kingsburg Creamery Co. to sell them 1,350 gallons of milk each month @ 30c per gallon. The creamery is to send to the farm for milk each morning at 9 o'clock. Write this contract. It is very simple, and you should have no trouble in writing it.

(195) Post to ledger and take trial balance.

(196) Make your report on Lesson 17 as follows: On separate sheets of paper, send in copy of your journal for December, and your trial balance for December. Also send in the contract with the Creamery, for approval.

Lesson No. 18.

Jan. 31, 1919.

(197) Total cash recd. for month: Milk, \$405; Market Eggs, \$30, and ten settings from fine stock bought in December, @ \$5 per setting; Hogs, 40 head averaging 250 lbs. @ 10c.

(198) Total cash paid out for month: Expense, salaries and board, \$425; Jersey Cows (bran, cotton seed meal, etc., supply bought for three months, as feed is advancing in price), \$300; Chickens, advertising sale of eggs, and crates for shipping, \$7.50; Farm Machinery, gas for tractor, etc., \$15; Wagons and Trucks, bill paid for two months, including tires, \$80; Hogs, shipping charges, \$82.50.

(199) Expense credited and each account charged: Chickens, feed, \$12; Hogs, feed, \$150; Jersey Cows, labor, \$30; Turkeys, feed, \$3; Corn, harrowing 200 acres @ 25c; Cane, breaking 25 acres @ \$1; Feterita, breaking 10 acres @ \$1; Sudan Grass, breaking 10 acres @ \$1; Peanuts, breaking 25 acres @ \$1; Buildings and Fixtures, painting, repairing fences, etc., \$150; Produce, hauling manure and straw, \$50.

(200) Gordon's family used following during month: Eggs, \$7; Milk, \$13; Hogs (1,500 lbs. butchered @ 10c), \$150.

(201) Stock grazed on wheat during month. Charge as follows: Jersey Cows, \$50; Hogs, \$40; Expense (horses and mules grazing), \$50. Credit wheat for entire amount.

(202) Post to ledger and take trial balance.

(203) REPORT on Lesson No. 17, the same as in December.

Lesson No. 19.

Feb. 28, 1919.

(204) Total cash recd. during month: Eggs (market eggs, \$30, and 6 settings eggs @ \$5), total, \$60; Milk, \$405.

(205) Total cash paid out for month: Expense, salaries and board, \$425; Farm Machinery, gas, and repair bills at blacksmith shop, \$25; Jersey Cows, large refrigerator for keeping milk in warm weather, \$300; Alfalfa, gas and oil for running pump, \$8.

(206) Credit Expense and charge each account: Cotton, harrowing 100 acres, \$50; Jersey Cows, labor, \$30; Alfalfa, labor in ditching and watering, \$75; Corn, hauling rocks from land, and harrowing, \$100; Chickens, feed, \$7; Turkeys, feed, \$3; Hogs, feed, \$10.

(207) Credit Oats with total and charge each account with proper amount, for grazing: Jersey Cows, \$60; Hogs, \$25; Expense (teams grazing), \$50.

(208) Gordon's Family used following during month: Eggs, \$4; Milk, \$12.

(209) Post and take trial balance.

(210) MAKE REPORT to teacher in the same manner as last month.

Lesson No. 20.

March 31, 1919.

(211) Total cash recd. for month: Eggs, \$40; Milk, \$405.

(212) Total cash paid out for month: Expense, salaries and board, \$425; Farm Machinery, repairs, \$5; Wagons and Trucks, 2 months bill, \$23; Corn, seed for planting, \$25; Cane, seed for planting, \$40; Sudan Grass, seed for planting, \$15; Produce, potatoes, and other seed, \$125.

(213) Credit Expense for following total and charge each account for the proper amount: Corn, planting 200 acres @ \$1; Produce, labor in planting, \$50; Cane, planting, \$25; Sudan Grass, planting, \$10; Jersey Cows, labor, \$30; Chickens, feed, \$8; Turkeys, feed, \$3; Hogs, feed, \$20.

(214) Credit Wheat for total and charge each account as follows: Jersey Cows, grazing, \$60; Hogs, \$20; Expense (teams grazing), \$40.

(215) Gordon's family used following for month: Eggs, \$4; Milk, \$12.

(216) Post and take trial balance. How much cash have you on hand, and where is it?

(217) MAKE REPORT on Lesson 20 as usual.

Lesson No. 21.

April 30, 1919.

(218) Total cash recd. during month: Eggs, \$20; Milk, \$405; Produce, \$20.

(219) Total cash paid out for month: Expense, salaries and board, \$425; Farm Machinery, \$16; Wagons and Trucks, \$10; Jersey Cows, feed, \$110; Hogs, advertising in "Farm and Ranch", and "Southland Farmer", fine pigs for sale, \$15; Feterita, seed, \$10; Cotton, seed, \$100.

(220) Write an ad for each of the above papers, and send in to your teacher. You will find form for this advertising herewith. Study this ad until you can write one as good from memory. Also write letter to each of the above papers, enclosing the ad and check for \$7.50 to pay for same. You will find model for this letter on page 38. All this should be enclosed with your monthly report.

(221) Credit Expense for total and charge each account for the proper amount: Corn, plowing 100 acres @ 50c; Cotton, planting 100 acres @ \$1; Produce, labor in planting and cultivating, \$75; Feterita, planting, \$10; Peanuts, planting 25 acres, etc., \$50; Jersey Cows, labor, \$30; Alfalfa, weeding same, \$25; Chickens, feed, \$8; Turkeys, feed, \$3; Hogs, feed, \$20.

(222) Gordon's family used following during month: Eggs, \$4; milk, \$12; Produce, vegetables, \$10.

(223) Post to ledger and take trial balance.

(224) **MAKE REPORT** as follows: Send in report same as last month, and do not forget to send copies of the **two advertisements and the two letters**. The Farm and Ranch is published at Dallas, Texas; the Southland Farmer at Houston, Texas.

Copy of letter enclosing advertisement.

THE J. F. GORDON FARM and RANCH

Pure Bred Jerseys, Hogs and Fine Poultry

In connection with Standard Crops

J. F. Gordon, Proprietor

Kingsburg,.....Apr. 2, 1919.

The "Farm and Ranch",

Dallas, Texas.

Gentlemen:

Enclosed please find check for \$7.50, for which insert attached advertisement in your next issue. I shall appreciate your giving this ad the best and largest space possible for the money.

Trusting to have your most favorable attention, and thanking you in advance, I am,

Yours very truly,

(Signed) J. F. Gordon.

Copy of ad

Pure Bred Pigs For Sale

Of the Famous PROSPERITY strain, Duroc Jerseys

The **finest all-round Hog** ever bred in the South or Southwest; hardy, quick-growing, easy to keep.

These pigs have been bred and raised under the most favorable conditions and are guaranteed to give satisfaction. Write NOW for prices and full information.

The J. F. GORDON FARM and RANCH

Kingsburg,

Lesson No. 22.

May 31, 1919.

(225) Total cash recd. for month: Eggs, \$20; Milk, \$405; Produce, \$325; (produce includes potatoes, beans, beets, cucumbers, etc.); Hogs, sold 20 pure blooded pigs @ \$40 each and 25 pigs from \$1,000 male, mothers not pure breds, @ \$25 each, total, \$1,425.

(226) Total cash paid out for month: Expense, salaries and board, \$425; Cotton, labor in cultivation, \$100; Jersey Cows, feed, \$100; Hogs, crates for shipping pigs, \$43; Wagons and Trucks, gas, etc., \$8; Farm Machinery, repairs, etc., \$14; Alfalfa, gas and oil for pumping, \$9; Expense, bought grain for feed, etc., \$125.

(227) Credit Expense with total and charge each account for proper amount: Corn, plowing 200 acres @ \$50c; Cotton, plowing 100 acres twice, @ 50c each time; Sudan Grass, plowing twice, \$10; Jersey Cows, labor, \$30; Cane, plowing drilled cane, and pulling weeds from sowed cane, \$25; Feterita, plowing etc., \$8; Produce, labor, etc., \$100; Alfalfa, labor in watering, etc., \$15; Chickens, \$8; Turkeys, \$5; Hogs, \$20.

(228) Credit Produce for the total and charge each item for the proper amount: Jersey Cows, \$30; Hogs, \$30.

(229) Gordon's family used following for month: Eggs, \$4; Milk, \$12; Produce, \$30.

(230) Post and take trial balance. How much cash have you on hand, and where is it?

(231) MAKE REPORT as follows: Send teacher your ledger, journal and trial balance books, in neat and accurate condition.

Lesson No. 23.

June 30, 1919.

(232) Total cash recd. for month: Eggs, \$20; Milk, \$405; Produce, \$350.

(233) Total cash paid out for month: Expense, salaries and board, \$425; Cotton, labor in cultivation, \$50; Jersey Cows, feed, \$60; Alfalfa, gas and oil for pumping, \$9; Jersey Cows, ice for two months, for refrigerator, \$20.

(234) Credit Expense with total and charge the accounts separately for proper amounts: Corn, plowing, \$100; Cotton, labor, etc., \$200; Produce, labor, etc., \$75; Sudan Grass, plowing, \$10; Cane, plowing, \$10; Peanuts, plowing, etc., \$10; Chickens, feed, \$8; Turkeys, feed, \$5; Hogs, feed, \$15; Alfalfa, labor in watering, etc., \$15; Jersey Cows, labor, \$30.

(235) Credit Oats with \$75, green oats fed cows. Charge Jersey Cows for this amount. These oats were cut from around the "turning row", and were placed in the barn for two months feed.

(236) Sold O. B. Wilson 5 full blooded pigs @ \$40 each. Mr. Wilson is a neighboring farmer, whose note is good. He gave a three month's note for the above amount, with 8% interest. Write out this note. Make following entry on journal: Notes Receivable debited \$200; and Hogs credited \$200. When you post to the ledger, you must open an account with "Notes Receivable", in the same manner that you did in Nov. 1917 with "Notes Payable",

(237) Charge Hogs with produce fed them to amount of \$60. Charge Jersey Cows with produce fed them to amount of \$30; credit Produce for total.

(238) Gordon's family used following during month: Eggs, \$4; Milk, \$12; Produce, \$25.

(239) Post and take trial balance.

(240) **MAKE REPORT** as follows: Send in usual report to teacher, and also the note received from O. B. Wilson for the hogs.

Lesson No. 24.

July 31, 1919.

(241) Total cash recd. for month: Eggs, \$20; Milk, \$405; Produce (melons etc.), \$800.

(242) Total cash paid out for month: Expense, salaries and board, \$425; Cotton, labor in cultivation, \$50; Corn (saving top fodder, \$100; planting pumpkins and peas in corn field, together with seed, \$30), total \$130; Alfalfa, gas and oil for pumping, \$16; Oats (twine, expense of cutting, sacks, threshing, etc., of 2,500 bu.), \$250; Wheat (twine, sacks, and general harvesting costs of 2,000 bu.), \$300; Wagons and Trucks, 2 months, \$50; Farm Machinery, \$35; Jersey Cows, feed, \$50.

(243) Credit Expense with total and charge each account for proper amount: Corn, labor, \$50; Cotton, labor, etc., \$50; Produce, labor, \$100; Feterita, plowing for 2 months, etc., \$20; Cane, labor of cutting one crop, etc., \$75; Peanuts, plowing, etc., \$10; Sudan Grass, plowing, etc., \$10; Alfalfa (cutting and baling, \$75, and watering, \$12), total \$87; Jersey Cows, labor, \$30; Oats, labor in harvesting, \$100; Wheat, labor in harvesting, \$150; Chickens, feed, \$8; Turkeys, \$5; Hogs, \$20.

(244) Credit Oats with \$100, sheaf oats placed in barn for feed, and charge Expense with that amount.

(245) Charge Jersey Cows with \$40, and Hogs with \$60 produce fed them. Credit Produce for total.

(246) Gordon's family used following: Eggs, \$4; Milk, \$12; Produce, \$30.

(247) Post and take trial balance.

(248) MAKE REPORT the same as usual.

Lesson No. 25.

Aug. 31, 1919.

(249) Total cash recd. for month: Eggs, \$25; Milk, \$405; Produce, \$250; Oats, 2,000 bu. @ $62\frac{1}{2}$ c; Wheat, 1,500 bu. @ \$1.75; Cotton, 13 bales, 6,500 lbs. $21\frac{1}{2}$ c.

(250) Total cash paid out for month: Expense, salaries and board, \$425; Cotton, picking 8 bales, 12,000 lbs. @ 75c per C, and ginning 13 bales @ \$5; Alfalfa, gas and oil for pumping, \$12; Jersey Cows, feed, \$80, and ice for two months, \$20; Wagons and Trucks, \$15.

(251) Credit Expense for total and charge each account with the proper amount: Jersey Cows, labor, \$30; Oats, hauling, etc., \$50; Wheat, hauling, etc., \$40; Cotton hauling, \$65; pulling cockleburrs, \$19.30, and picking 5 bales, 7,500 lbs. @ 75c; Alfalfa, labor in watering, \$15; Produce, labor, \$30; Sudan Grass, cutting same, etc., \$40; Peanuts, plowing, \$10; Feterita, cutting seed, etc., \$75; Chickens, feed, \$8; Turkeys (fed entirely on waste grain in fields); Hogs, \$25.

(252) Gordon's family used following during month: Eggs, \$4; Milk, \$12; Produce, \$14; Wheat, ground at mill for flour, \$15.

(253) Post to ledger and take trial balance. Are you having any trouble with your trial balances now?

(254) MAKE REPORT to teacher as follows: Send in same report as usual, and be sure that you are **prompt** in doing so.

Lesson No. 26.

Sept. 30, 1919.

(255) Total cash recd. for month: Eggs, \$25; Milk, \$405; Cotton, 20 bales, 10,000 lbs. @ 20c; Notes Receivable, \$200; Interest and Discount, \$4.

(256) Total cash paid out for month: Expense, salaries and board, \$425; Cotton, picking 14 bales, 21,000 lbs. @ 80c per C, and ginning 20 bales @ \$5, also bill for sacks bought in August, \$25; Jersey Cows, feed, \$105; Jersey Cows, advertising calves for sale, in county paper, \$5; Hogs, advertising hogs and pigs for sale in **Farm and Ranch** and **Southland Farmer**, \$8; Chickens, advertising chickens and eggs in above paper, \$5; Wagons and Trucks, repairs, etc., \$65.

(257) Credit Expense for total and charge each account for proper amount: Jersey Cows, labor, \$30; Cotton, picking 6 bales, 9,000 lbs. @ 80c, and hauling 20 bales @ \$5; Corn, gathering 4,000 bu. @ $21\frac{1}{2}$ c per bu.; Produce, digging 1,500 bu. sweet potatoes, \$125; Chickens, feed, \$8; Turkeys, feed, \$15; Hogs, feed, \$125.

(258) Gordon's family used for month: Eggs, \$4; Milk, \$12; Produce, \$8.

(259) Post and take trial balance.

(260) **MAKE REPORT** as usual, and also send copies of the advertisements referred to above.

Lesson No. 27.

Oct. 31, 1919.

(261) Sold following: Eggs, \$25; 50 fine chickens @ \$3; 200 market chickens @ \$1; 10 extra fine cockerels @ \$5. Credit Chickens, charge cash.

(262) Sold following: Milk, \$405; 7 purebred male calves (8 and 10 mos.) @ \$75; 4 calves @ \$40; 4 cows (part of original herd) @ \$100; five 2-year heifers @ 50. Make proper entries.

(263) Sold following: 25 purebred pigs @ \$40; 25 pigs @ \$25; 10 hogs, averaging 250 lbs. @ 8c.

(264) Charge Cash for total and credit proper accounts: Feterita, \$550; Cane, 100 tons @ \$10; Corn, 2,000 bu. @ 90c; Turkeys, 200 @ \$3; Produce, 1,500 bu. sweet potatoes @ \$1; Peanuts, baled, \$1,000; Cotton, 7 bales, 3,500 lbs. @ 15c; Alfalfa, baled, \$800.

(265) Total cash paid out for month: Chickens, for advertising, \$8; Jersey Cows, feed, \$50; Hogs, for advertising, \$15, for expressage on pigs, \$40, for crates, \$35; Expense, salaries and board, \$425; Feterita, threshing, \$35; Cane, baling wire, etc., \$14; Peanuts, baling wire, etc., \$6; Alfalfa, baling wire, \$7; Cotton, picking 7 bales, 7,500 lbs. @ \$1.40, and ginning 7 bales @ \$5; Jersey Cows, ice for two months, \$20; Produce, curing 1,500 bu. sweet potatoes @ 10c; Wagons and Trucks, repairs, etc., \$35; Farm Machinery, repairs, etc., \$65; Taxes, \$600.

(266) Turned Hogs and Jerseys into cornfield and estimated value to each from eating corn, peas and pumpkins, as follows: Hogs, \$200; Jerseys, \$150. Charge these accounts and credit Corn.

(267) Teams grazed on cane field and received \$100 value. Charge Expense with \$100 (for teams), and credit Cane with \$100.

(268) Credit Expense with total and charge each account with proper amount: Jersey Cows, labor, \$50; Chickens, feed, \$8; Chickens, labor in shipping, \$25; Turkeys, labor in shipping, \$14; Hogs, labor in shipping, \$40; Feterita, labor, \$25; Cane, labor, \$100; Corn, gathering 4,000 bu. @ 2½c; Corn, gathering pumpkins in corn field, \$25; Produce, digging 1,500 bu. sweet potatoes, \$125; Peanuts, labor in baling, etc., \$50; Alfalfa, labor in baling, etc., \$75.

(269) Sudan Grass was used for grazing purposes for five months: Charge Jersey Cows with \$150, and charge Expense (teams) with \$100. Credit Sudan Grass for total amount.

(270) Gordon's family used following: Eggs, \$4; Milk, \$12; Turkeys, \$10.

(271) Post and take trial balance.

(272) MAKE REPORT as follows: Get your journal, ledger and trial balance books in the best possible shape and mail them promptly to teacher for inspection and approval.

Lesson No. 28.

Oct. 31, 1919.

(273) **FINDING PROFITS AND LOSSES.** You will now proceed to find your profit or loss on each account (if any), as you did in October, 1918. Before starting to do so, however, carefully review the manner of finding losses and gains, and of making the balance sheet, as given in the first set. **Learn these principles so well**, that you can do the work in set No. 2 from memory, and do not make it necessary to constantly look at the instruction book.

(274) **MAKE OUT THE BALANCE SHEET**, and Loss and Gain account in the ledger, the same as in first set. Following are the inventories:

(275) Real Estate, \$50,000; Buildings and Fixtures, \$7,000; Wagons and Trucks, \$1,620; Farm Machinery, \$2,565; Mules, \$1,300; Horses, \$400; Feterita, none on hand; Jersey Cows, \$5,100; Hogs, \$4,300; Chickens, \$330; Cane, \$1,000; Corn, \$4,800; Oats, \$350; Wheat, \$950; Turkeys, \$100; Produce, \$1,650; Peanuts, none on hand; Cotton, 20 tons seed @ \$30; Alfalfa, pumping plant, \$1,200, and baled alfalfa, \$800; Sudan Grass, \$150.

(276) **MAKE A STATEMENT** of the gain on each crop per acre; also the gain on investment in each kind of stock, showing percentage of gain on each.

(277) Collect the amount that "J. F. Gordon, personal" owes (\$515). On the journal credit Gordon for this amount and charge cash.

(278) **RULE UP ALL ACCOUNTS** in ledger, in the same manner as in first set, and take a trial balance of same to enclose with this report.

(279) **MAKE YOUR FINAL REPORT** as follows: When you have complied with all of the above instructions, and have your books in neat order, send in your ledger, journal, trial balance book, balance sheet, etc., for final inspection and approval.

(280) Having now finished this course, you should be able to apply such system and good management to the raising of crops and stock, as will make those professions pleasant and profitable. We shall be glad to hear what you think of the course and its value to you; also your plans for the future.

(281) A **DIPLOMA** will be granted you if your work has been satisfactory, same subject to any examination and rules approved by your teacher.

LIBRARY OF CONGRESS

00027803064