BOOK-KEEPING.

What are the names of the principal systems of book-keeping, and describe the leading features in each system?

Give the names of the books usually employed in recording the transactions of a merchant's business, and the purposes they serve.

A merchant recommenced business with assets and liabilities as under, viz. :—

	£	s.	d.	£	s.	d.
ASSETS.						
Cash in the Colonial Bank	2,525	0	0			
Wellington–Manawatu Railway debentures ...	500	0	0			
Shares in Wellington Trust and Loan Company ...	1,500	0	0			
Bills receivable	7,375	15	6			
3-per-cents English Consols	6,425	0	0			
One-third share of barque " Ceylon "	7,000	0	0			
Sugar consigned to Haymonson and Co., Dunedin	1,465	0	0			
Petter, Webbe, and Co.	2,525	0	0			
W. Martin	1,350	0	0			
Interest accrued	225	0	0			
				30,890	15	6
LIABILITIES.						
Insurance premiums...	825	0	0			
Bills payable	2,540	17	9			
My share of loss on venture in tallow to London	1,870	0	0			
Haymonson and Co., Dunedin	1,420	0	0			
Henry Samuel	725	0	0			
				7,380	17	9

The above statements are to be journalized.

Journalize the following transactions :—

Bought of Saul Samuel and Co., of Calcutta, on account of W. Woods and Co., London,—

	£	s.	d.
40 bags cotton	£605	0	0
Commission and other charges	16	0	0

Cash paid Stewart and Co. on account of W. Woods and Co., London,—

	£	s.	d.
For cotton	315	0	0
Accepted bill at 3 months in favour of S. Samuel and Co. ...	605	0	0
Sold to J. Palmer, 22 bags cotton	299	0	0
Expenses	1	4	6
J. Palmer, paid cash	150	4	6
Received J. Palmer's acceptance, at 1 month	150	0	0

In closing your books, and ascertaining how you stand, suppose you use a "balance account" —state the reason why the difference of the "profit and loss account," added to the difference of the "stock account," equals the exact difference of the "balance account."