

**BOOKKEEPING FOR  
MODERN BUSINESS:  
ADVANCED COURSE**

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Bookkeeping for Modern Business: Advanced Course by John G. Kirk & James L. Street

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**JOHN G. KIRK & JAMES L. STREET**

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# BOOKKEEPING FOR MODERN BUSINESS

ADVANCED COURSE

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## PREFACE

*Bookkeeping for Modern Business, Advanced Course*, is designed to be an introduction to the more technical phases of bookkeeping, and to follow logically the principles of bookkeeping—principles advocated and practiced by modern bookkeepers—as explained and illustrated in the elementary course. An attempt has been made to develop the work in such a way as to make no appreciable break between the so-called elementary bookkeeping work and the advanced one.

In preparing this text the authors have approached the subject in a manner somewhat different from most texts on advanced bookkeeping. Before attempting the bookkeeping work of a particular business, the book presents a full and complete discussion of the more important and difficult phases of the bookkeeping work. An opportunity, therefore, is afforded for a thorough study of each new principle before it is used in the regular bookkeeping sets. To this end a large number of simple and reasonable exercises have been included, each of which gives an intelligent explanation of some new principle.

The same general plan which characterizes the elementary course has been followed in the advanced course. Each new principle is presented in the same clear and concise manner, using, when possible, the ledger account as the basis of all explanation, and thereby illustrating clearly the theory of debit and credit. Some of the more important subjects included here, and not ordinarily illustrated or discussed in texts of this kind are: construction of accounts; classification of accounts; valuation accounts; reserve accounts; divisional profit and loss accounts; controlling accounts; contingent liability; renewal of notes; partial payment of notes; protested notes; goodwill; columnar books; subsidiary ledgers both in bound and loose-leaf form; working form for closing the ledger; turnover; turnover of stock; ten-column working sheet; calculation of percentages; graphical methods of presenting facts; comparative profit and loss statements; comparative balance sheets; schedules; exhibits, etc. These subjects are in harmony with modern bookkeeping and in conformity with sound theory and general practice. Then, as a means of providing necessary drill in bookkeeping technique and routine, the accounts and books of original entry are introduced. The papers, forms, and records peculiar to one special line of business are used until the student has become thoroughly familiar with them. In this way the student is permitted to devote all his time to the more practical phases of bookkeeping.

An effort has been made throughout to use the most modern types of classification of accounts and financial statements, and the method of closing the ledger which has the approval of business men and accountants. In presenting each subject, the approach has been made so simple and obvious that the student has little difficulty in preparing his work in a clear and concise manner. The treatment of columnar books, for example, illustrates and explains the columnar books so clearly that the student has little difficulty in applying the theory of debit and credit to each special column.

The selection of the subject matter of this text and the method of presentation have grown directly out of the authors' extensive preparation in collegiate and business schools; their practical accounting experience in manufacturing and banking houses; and their practical teaching experience in business colleges, institutes, academics, and high schools, both day and evening courses. The material in the book has been tested in classrooms by other

teachers. Invaluable assistance has been given by those who have been teaching from the original manuscript, and by accountants and business men who have read the manuscript and have made many valuable suggestions.

The authors desire to express their sincere appreciation of the assistance which they have received from business men and accountants who have been generous in supplying copies of their records and forms; to accountants and teachers in both business colleges and high schools who have read and suggested changes in the original manuscript; and to book-keeping teachers in the Frankford High School and the William Penn High School who have used parts of the manuscript in their classes.



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