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LAND ACCOUNTS, by WALTER MUCKLOW. *American Institute Publishing Co., Inc.* Cloth, 290 pages. 1935.

In *Land Accounts*, Walter Mucklow has contributed a comprehensive survey of the accounting problems and methods of companies engaged in developing, subdividing and marketing land, based on his wide personal experience in this particular field of accounts. The book may be regarded as a successor volume, somewhat narrowed in its field, to the author's *Real Estate Accounts* published in 1917, and, in the author's own words, "is intended to deal only with those matters relating to the land itself and to leave to others the treatment of resources or improvements to and products of the soil."

The author emphasizes throughout the book the importance of the relation of federal income taxes to real-estate accounts and one chapter is devoted to special matters in this field.

A feature of special interest, which deserves mention, is the chapter, comprising some twenty pages, on a manual of instructions. It is important, as the author states, that "the concern, its employees and its accountant shall clearly understand and agree upon the system of records and the method of accounting to be followed."

The book is adequately and conveniently indexed to numbered paragraphs, and is interspersed with forms (85 in number) covering every phase of the required accounting records. The volume should prove of great value as a reference book to members of the accounting profession in matters concerned with land accounts and more especially to accounting officers of companies engaged in that particular type of business.

E. O. LOTHROP.

New York, N. Y., August 15, 1935.

MANAGEMENT PLANNING AND CONTROL, by A. G. H. DENT. *Gee & Co. Ltd.*, London. Cloth, 333 pages. 1935.

A handy and sensible manual for managers of enterprises large and small is *Management Planning and Control* by a statistician and economist whose practical experience with a large corporation gives the reader confidence in his theoretical conclusions. Though written by an Englishman for the English the predominance of data and illustrations taken from American industrial organizations and the long list of American texts in the bibliography should make it of equal value to American readers. In brief, it is a summary and synthesis of the best thought on the subject to date in all industrial countries.

Mr. Dent takes a broad view of his subject, urging the necessity and advisability of planning and budget control not only for the individual concern, but also for each industry as a whole through coördination in conferences and the gathering of data of mutual interest. Such action in some industries has already been taken in this country, as we know, and was greatly accelerated by the late N.R.A. How far it will be allowed to proceed in the face of the revived anti-monopoly acts and demagogic hostility to big business is a question.

While he naturally aims at an ideal of industrial and business organization, Mr. Dent is by no means an impractical idealist. He emphasizes the need of proceeding slowly, one step at a time, pointing out that "leaders who have attempted to superpose a brand-new system on an old organization without careful preliminary study and planning have invariably failed" (p. 12), a suggestive hint to enthusiastic theorists who would shatter the economic world "to bits—and then re-mould it nearer to the heart's desire."

Students of economics (and who isn't these days?) will find much of interest in chapter 7, "Planning in depression conditions," and chapter 9, "Economic research and forecasting." The author's ideas and suggestions are based on commonsense and sound economic doctrine, most refreshing to read.

W. H. LAWTON.

ACCOUNTING PROCEDURE FOR STANDARD COSTS, by CECIL M. GILLESPIE. *The Ronald Press Company*, New York. 431 pages. 1935.

Professor Gillespie has done a very useful piece of work by preparing in textbook form a summarization of what has been learned in recent years relative to the accounting aspects of standard costs. His book is an explicit and thorough presentation of the mechanical aspects of cost accounting as conducted under this plan. It should be helpful to the student who wishes to obtain an adequate grasp of the procedures involved.

The presentation follows the familiar Northwestern university form, consisting of so-called "unit lectures" on various aspects of the subject. The typical approach involves a comprehensive explanation of the method under consideration, a complete and carefully developed illustration of the procedure, a summarized restatement of the explanation, emphasizing the salient points, and one or more problems for solution by the student. The lectures may not make all the possible points in every case, but the reader can not very well miss the ones they do make.

A substantial portion of the book is devoted to a comparison of three different accounting procedures which may be applied when standard costs are in use. In consideration of these, special chapters are devoted to the setting of standards and to the development of flexible budgets. Other chapters deal with the analysis of variations between actual and standard costs, the preparation of cost reports for executives and executive uses of standard costs. Considerable attention is given throughout the lectures to the accounting and bookkeeping procedures underlying the cost work.

While the major portion of the explanations deals with production cost problems, the author also discusses cost accounting for warehousing, selling and delivery operations. In these chapters the standard-cost features of the accounting are less sharply distinguished, but the discussion is valuable in indicating the manner in which standard costs may ultimately be applied to these divisions of the business as effectively as they are now applied to production departments.

Five complete cases, describing the actual application of standard-cost methods in specific instances, are incorporated as separate chapters in the book. These contain valuable citations of actual working instructions, forms, etc., as they have been developed in practice.

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The sequence in which the various subjects are taken up seems somewhat aimless, the arrangement doubtless being governed by the supposed teachability of different subjects rather than by any abstract logical development. Each problem considered, however, is presented and illustrated with painstaking care. The author leaves no loose ends in his discussion. Not only is the basic procedure fully described, but methods of dealing with unusual variations from normal are discussed methodically and clearly. Particular note may be given to such sections as those on scrap materials and spoiled work, changes of standards during a budget period, disposition of variations from standard, treatment of the factor of return on investment, etc.

The book is a presentation of established principles and not an attempt to develop new ones. It contains little of philosophy and almost nothing of argument. On points of uncertainty or controversy the author merely states the issue briefly and refers the reader to the literature on the subject, with the implied recommendation that he study what others have said and form his own conclusions. Those who think that college teachers are engaged in stuffing their own preconceived ideas into the receptive minds of their students should observe the calm and detached manner in which Professor Gillespie deals with subjects which have aroused numerous cost-accounting authorities to the most heated disputes. There are adequate bibliographical references throughout.

All this is to say that the book is a comprehensive and carefully developed textbook presentation of recognized and important cost-accounting methods; that it fills satisfactorily an unquestioned need for such a presentation, which has not been available previously; that it presents nothing strikingly new and contains no brilliant flights of the imagination; and that it will serve effectively to inform the uninitiated and to consolidate and strengthen the knowledge of the more experienced in the important and complex technique of standard costs.

HOWARD C. GREER.

BIBLIOGRAPHY OF WORKS ON ACCOUNTING BY AMERICAN AUTHORS, by HARRY C. BENTLEY and RUTH S. LEONARD. *H. C. Bentley*, Boston. Vol. I, 197 pages. 1934. Vol. II, 408 pages. 1935.

At first thought, preparing to review a 600-page bibliography would seem about like reading in the dictionary to pass the time away: apt to be disconnected even if interesting. These two volumes, however, have a degree of continuity no dictionary can possess—the continuity of time—of history in the making. Therefore they constitute one of the two keys to the history of what America has been doing with its accounting heritage. The other key is the *Accountants' Index*, which, in addition to classifying the books within the field as they appear, indexes the extensive current literature of accountancy.

The two authors of this bibliography, accountant and librarian, have spared no trouble and expense to make the work complete and serviceable. As to completeness, there is abundant evidence that the search of bibliographical sources was exhaustive. That the compilation was discriminatingly made is shown by the fact that the authors have omitted a great deal of material which would usually be classified into this field. As to serviceability, a carefully prepared classification of titles by general fields is presented in addition to the chronological listing, and both volumes are provided with an author index, while volume II is given also a subject index. Practical considerations have

unfortunately precluded an indication of the location of the books listed. But modern libraries are well organized to find elsewhere the volumes which they may not possess. The work will also prove helpful upon occasion through its listing of the titles copyrighted prior to 1901 which have not been found in any library.

The two volumes divide the period of American contributions quite logically at the turn of the century: therefore volume I may be thought of as the bibliography of the nineteenth century, and volume II as that of the first third of the twentieth century. Excluding two works published in 1796 and 1799 respectively, the nineteenth century brought forth 390 titles, of which only 66 titles appeared before 1851. In comparison it may be noted that 874 titles are listed in volume II between January, 1901, and January, 1935. The decade ending 1930 averaged 39 books a year; but the next four years averaged only 22 books. The first decade of this century averaged almost as many: 15.8 books a year.

As one would suspect, most of the books in the nineteenth century are classified as works which give a general presentation of the theory and practice of bookkeeping. Of the 392 titles listed in the chronological section, 336 are general texts of this kind. Of specialized treatises, there are 56 works which can be said to represent the beginnings of higher accountancy.

Even after the turn of the century progress in the development of an accounting literature was slow. For the first decade 158 titles are listed, and of this number, 99 are classified by the compilers as works on bookkeeping intended primarily for use in high schools and private business schools. But after 1911 the pace increased. For the whole period 1901 to 1934 the works classified as being above high school bookkeeping numbered 575 out of 874, almost two thirds.

So well are the classified sections of the bibliography arranged that it is clearly evident that cost accounting is the area of greatest development in the first twelve years, for there were about twice as many titles in cost accounting as in general works (28 compared to 13). However, the relationship is progressively modified through 1913 to 1918, when general works and cost titles were equal, and 1919 to 1924, when the cost books were only two-thirds as numerous as the general works (42 cost, 61 general), down to 1925-1934, when the general works numbered twice as many as the works on cost accounting (110 general, 52 cost).

It should be noted, however, that this comparison does not include a considerable amount of material which is properly related to factory and cost accounting—that is, books and pamphlets dealing with cost accounting for specific industries and uniform cost systems. The authors give 64 pages of bibliography about specialized costs, 35 pages about uniform systems for industry, and 25 pages of references to uniform systems for public utility and railroad companies, a total of 124 pages. If this material be included with the general treatises on cost accounting, it would probably be safe to say that cost accounting still leads the field.

On the whole it is clear that this ambitious bibliography—a labor of love by one of the pioneers in the field—places in the hands of students and research workers an extremely useful tool which promises to justify itself more in the future than in the present. Perhaps one of the services of this work—and not

its least—will be to direct attention to the comparative meagreness of the literature of higher accountancy. Is it an adequate foundation for a truly professional education? We can, without arrogance, be proud of the progress made; but we can not, without stagnation, be satisfied with the results.

A. C. LITTLETON.

PRINCIPLES OF ACCOUNTING. By GEORGE R. HUSBAND and OLIN E. THOMAS. *Houghton Mifflin Company*, New York. Cloth, 801 pages. 1935.

With the avowed purpose of presenting "both the practical and theoretical aspects of the principles of elementary accounting," Messrs. Husband and Thomas offer *Principles of Accounting* as taught at Wayne University, Detroit. "Elementary" hardly seems the right word for a text-book that covers the whole range from simple sole proprietorship to the complex holding company. It is well arranged and illustrated by practical entries and examples, the quizzes at the close of each chapter are pertinent, and the laboratory problems (125 pages of them) seem to supply ample tests for students.

The use of the title "equities" on the balance-sheet, in place of the customary "liabilities," or "liabilities and capital," is about the only departure from orthodoxy in accounting terminology. The arguments in favor of it are plausible enough, for its conciseness if nothing else; but why confuse the student by using a term which he must discard promptly when he enters the business world? Another new feature is the bibliography of accounting authorities at the end of each chapter, many of them so unfamiliar that one must conclude accounting literature is almost as ephemeral as last year's "best seller"!

A slight error is to be noted on page 12. The American Institute of Accountants was not organized under a federal charter (which implies it was chartered by congress) but under the corporation laws of the District of Columbia.

W. H. LAWTON.