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## Book Reviews

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## Book Reviews

ACCOUNTANCY IN AMERICA, by CECIL N. PRINCE. Four parts, bound separately in paper, comprising 125 pp.

These four pamphlets are written by an English accountant with ten years' experience of accountancy in America, and are intended obviously for the information and guidance of other English accountants who may be contemplating emigration to America or Canada. Part I contains considerable detailed information as to opportunities, conditions professional and social, remuneration, etc. Some of it may sound a bit naïve to the American reader but doubtless it is all such detail as the author's experience justifies. The other three parts are purely technical, giving in some detail the methods and procedure in auditing and accounting as practised in this country. Readers of *THE JOURNAL* may find it interesting to compare these pamphlets with the article in the August, 1924, issue on *The Training of Accountants in England*, by Professor T. H. Sanders. Recalling how comparatively few Britishers become naturalized in America I think Mr. Prince might well have emphasized the fact that the C. P. A. degree is granted in most states only to *citizens* of the United States, a qualification destined to become important in the not-distant future when public accountancy will be restricted to certified public accountants. Further, there is a slight error in Mr. Prince's general statement (part I, p. 19) as to C. P. A. fees. As far as I know there are only two or three states in which the professional accountant is relegated to the level of a taxi-driver or huckster by requiring of him an annual license fee under the euphemism of a "renewal of certificate."

W. H. LAWTON.

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YIELDS OF BONDS AND STOCKS, by DAVID C. JOHNSON, CALEB STONE, MILTON C. CROSS and EDWARD A. KIRCHER. *Prentice-Hall, Inc.*, New York.

In these days when Americans have become investors to an altogether unprecedented extent there is probably increasing need for guides to the proper selection of securities. The book now before us is designed to enable one to compute from quoted prices the yield upon any investment. It is impossible to review a book which consists almost entirely of mathematical computations. They are doubtless correct and therefore valuable. The printing is well done and the book is of a convenient size. Beyond that readers must use their own judgment.

A. P. R.

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ELEMENTS OF COST ACCOUNTING, by ANTHONY B. MANNING. *McGraw-Hill Book Co.*, New York.

Professor Manning's work is a textbook for the classroom, adhering in the main to its avowed purpose of being elemental. The student is introduced to the subject through the inventory accounts in the balance-sheet of a manu-

facturing concern, and he is first taught the use of a stores ledger and the manufacturing-expense accounts in the voucher record. After doubling back to learn the routine of purchasing he takes up a job-order method of costing to which six chapters are devoted, one each on materials, labor, burden accounts, application of burden, costing the orders, and the cost of sales and profit and loss. Four short chapters are then devoted to a process-cost method in which it is noted that all burden other than power, heat and light is applied on the labor-cost basis. In both series of lessons, the student is instructed in the compilation of shop records and production data, as well as in the details of accumulating values. It is the author's purpose as an instructor to present principles rather than methods. The job-order and process-cost methods are described only as illustrative of the principles.

The author's presentation is simple and clear. Whether or not one will agree with his statement that it is complete will depend upon his own ideas of what should or should not be included in elemental instruction. Accordingly we venture to enquire why the paragraphs on standard burden, budget methods and burden variance are introduced into the second chapter, as it would seem that they present a method of accounting before the student is acquainted with the principles. They belong rather in chapter VII on the application of manufacturing burden. On the other hand, is it not too elemental to direct that the voucher-ledger footings and the labor distribution be journalized instead of posted directly?

The author employs a unique method of impressing upon the student the principle that the cost records must tie in with the general books of account by not even mentioning the fact that they are sometimes compiled independently of the general records. In the first lesson the student opens up a general ledger and a set of cost records. In each succeeding lesson he posts the manufacturing costs first to the general-ledger control accounts, then to the cost records, thus being brought up as it were in an atmosphere which makes unnecessary the injunction that the latter must be controlled.

GEORGE REA.