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## Book Reviews

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## Book Reviews

STANDARD BUSINESS DICTIONARY, by JULIUS SPIEGEL. *Standard Publishing Co.*, New York. 477 pages.

This dictionary, here and there somewhat encyclopædic in character, contains definitions or explanations of about seven thousand words, expressions and terms, followed by a list of New York stock-exchange and other abbreviations and short descriptions of the federal reserve system, the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation. There are four statements in the preface to which exception must be taken, as they are not fairly descriptive of the scope of the book or of its value as a work of reference, viz.:

"In rare or isolated cases, some of this material is to be had in printed form, but in the great majority of instances, this collection of trade terms and the professional expressions and colloquialisms distinctive to a calling or vocation has never been definitely or systematically recorded."

"Especially has it been my endeavor to thoroughly treat the legal, financial, commercial, accounting and economic terminology in use at the present day."

"It will be noted that I have in every instance, sought to present the most concise and explicit definition rather than attempt originality in the wording."

"As a final word I wish to say that in submitting this dictionary to the public, I feel that I am justified in stating that the publication has no counterpart, either in the range of contents, or the thorough treatment given the language of the various vocations."

Contrary to the author's contention, there have been a number of dictionaries of somewhat similar character published, and the author is respectfully referred to Smith's *Financial Dictionary*, published in 1903, as an example. The author's claim of thorough treatment of legal terminology is rash, to say the least, in view of the size and authoritative standing of such works as Black's *Law Dictionary*, Bouvier's *Law Dictionary*, *Words and Phrases* or *Corpus Juris*. Briefly, the above quoted excerpts from the preface might better have been toned down considerably.

The book contains a number of unusual words and terms with which most of us, I venture to say, are unfamiliar, e.g., alcade; anniented; antal; antichresis; attorn; ballastage; cassation; cloff; consensual contract; depone; dinar; dstringas; dollar of the daddies; exequatur; feoffee; fittage; Gorgonzola Hall; ligam; loco (re cost of goods); mercer; obscuration; quartern; toppy; tret; vatting; venireman; and viewers. There are a few coined or pedantic words, e.g., alphabeting, and a few definitions that appear out of place in a business dictionary, e.g., common-law marriage; unwritten law (re "private vengeance"); jury of matrons; and yacht. Many of the accounting definitions are open to adverse criticism because of narrowness, ambiguity, poor construction or inaccuracy

and, taken as a whole, they are somewhat disappointing. A few examples follow:

*Funded debt.*

"General outstanding debts which have been converted into bonds payable at a distant date."

*Profit.*

"Excess of receipts over expenditures."

*Sales discount account.*

"An account charged for the cash discount allowed on invoices sold."

*Subsidiary ledger.*

"A book of account which contains in detail, accounts of the same type."

*Turn over* (two words in dictionary).

"The total value of the purchases, sales or other transactions of a business concern in any particular period. For instance, the total year's turn over of a concern is the total business of the concern for the year."

The author classifies the minutes of directors' or stockholders' meetings as "books of account" and under "Bookkeeping" states that "but three books are absolutely essential" (to double-entry bookkeeping) viz., the day book, the journal and the ledger. An audit is defined as "an examination and adjustment of accounts by comparing the charges with the vouchers, striking balances, etc." and "errors of principle" are usually due, in the author's opinion, to "the inability of the bookkeeper to distinguish between capital and revenue expenditures."

The definitions of legal words and terms take up a substantial part of the dictionary and the unusual phraseology, in some cases, leads me to believe that, contrary to the statement in the preface, the author has, perhaps inadvertently, attempted originality in the wording. I cite the definition of "valuable consideration" as an example.

"A thing of value parted with, or a new obligation assumed, at the time of obtaining a thing, which is a substantial compensation for that which is obtained thereby."

As a matter of fact, apart from the rather complex construction of the definition, it is inaccurate, as a valuable consideration in law need only be of some or slight value, not necessarily adequate or a substantial compensation.

I fully appreciate the enormous amount of labor necessary to collate and edit the material for such a book as the *Standard Business Dictionary* and the author is to be congratulated upon the completion of such a task, notwithstanding the fact that the book falls considerably short of what one might expect after reading the preface.

EDWARD H. MOERAN.

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PRACTICAL FACTORY ADMINISTRATION, by MATTHEW POROSKY.  
*McGraw-Hill Book Co.*, New York. Cloth, 237 pages.

*Practical Factory Administration* is a notable contribution to existing literature on industrial management. It is divided into a number of parts, including organization, planning, handling of materials, inventory records and production control. The subjects are covered in a succinct manner

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and in logical order. There are many illustrations and forms given. Some of the latter appear to be rather more involved than is necessary, especially in view of the modern tendency to simplify all such records, confining them to absolute essentials. They are so thoroughly explained, however, that even the tyro should have no difficulty in properly understanding their use. The chapter on inventory records is particularly well put. There is shown the fallacy of attempting to carry money extensions on stock cards after each receipt and delivery, a practice which unfortunately is not at all uncommon. Cost-department methods are rather briefly discussed, it no doubt being the intention of the author to touch upon the principles and to permit the interested reader who wishes to go into further details to consult the references which are given at the end of the chapter. Altogether, it is a helpful reference book, both for the student and the factory executive.

F. G. COLLEY.

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CONTROLLING THE FINANCES OF A BUSINESS, by JAMES O. MCKINSEY and STUART P. MEICH. *Ronald Press Co.*, New York. 638 pages.

This book deals with the problems of the chief financial executive of a corporation. The style is simple and direct, and the treatment is thorough and complete. The experienced financial officer who is willing to go through much that will seem very elementary to him will find many discussions of policy that are interesting and valuable. The student and junior employes of the treasurer's department can profitably use the book as a text for intensive study, and the auditor and the employe of the accounting department will see many reasons for the necessity of the closest coöperation between the accounting department and the treasurer's department, a coöperation which is lacking, unfortunately, in many of our largest and oldest corporations.

The discussion is divided into the following general topics: 1. Determining capital requirements; 2. sources and devices for securing capital; 3. control of capital disbursements; 4. control of income.

The authors state very properly that "before capital is secured, the amount needed should be determined" and that "it is necessary to estimate the need for these two types (working and fixed capital) separately for the factors affecting their relative amounts are different." The budget basis is advocated for estimating the capital needed, although it would be necessary to use a liberal margin of safety above budget estimates in calculating capital requirements for a new project. The chapters on securing capital will be of academic interest only to the average treasurer or employe in a treasurer's department. The various forms of securities and methods of marketing them will be found interesting, but these matters are usually handled by attorneys and investment bankers, rather than by regular employes of the corporation. The control of disbursements for capital investment and operating expenses, the details of which are a function of the accounting department rather than of the treasurer's

department, is discussed in a non-technical and readable manner. This part of the book should appeal to those who realize the importance of being familiar with the principles of accounting, but object to reading books written in the usual technical accounting style. The chapters on dividends and surplus are a real contribution to financial and accounting literature. These chapters can be read with profit by officers and directors who are concerned with the dividend policy of corporations.

F. G. COLLEY.

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PROSPERITY: HOW TO ATTRACT IT, by ORISON SWETT MARDEN.  
*Success Magazine Corporation*, New York. 325 pages.

Scarcely a week goes by without the appearance of some new book on psycho-analysis, auto-suggestion or some one of the sundry related sciences or cults. The truth of the matter seems to be that mankind is on the verge of great discoveries in the realm of the subconscious and while we are groping around for the truth most of us who have some definite or indefinite conception to express rush into print. Naturally, in such a welter of literature there is some good, much bad and even more neither good nor bad. All of it, however, is of interest to the student of psychology and we doubt if great harm will be done to the reader who takes up any one of the books now appearing and reads it with discrimination. The danger is that we shall say to ourselves: "Behold we are prosperous," and then sit down and idly wait for the prosperity to appear. If we could all steer the middle course and adopt just enough self-control and common-sense in conjunction with our experiments in metaphysics, we should be the better for it.

Among the many pioneers in psycho-analysis, one of the best known is Orison Swett Marden whose new book, *Prosperity*, is very much like his other books and very comfortable reading. We commend it to all those who can read with discrimination. It should render a peculiar service to accountants in the first three months of any calendar year.

A. P. R.

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THE BANK CREDIT INVESTIGATOR, by RUSSELL F. PRUDDEN.  
*The Bankers Publishing Co.*, New York. Cloth, 192 pages.

*The Bank Credit Investigator* is a handy little book, 7 x 4¼, (pocket-size,) packed with information and advice about credit investigations and analyses for the young man just starting in a bank credit department. I recommend the two chapters on "Statement Analysis" to the young student of accountancy who wants to know how to read a financial statement from a banker's point of view. Incidentally the two chapters on "Elements of Accounting" form the best short treatise on partnership and corporation bookkeeping I have ever read. Mr. Prudden has a remarkable gift for stating essentials in the fewest possible words.

W. H. LAWTON.