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Book Reviews

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Book Reviews

CROWELL'S DICTIONARY OF BUSINESS AND FINANCE.

Thomas Y. Crowell Co., New York. 608 pages.

The "definitions" in this dictionary range from a few words in extent to an article covering several pages. The words, terms and phrases defined number about 4,000 and a system of cross referencing has been extensively employed. Derivatives are defined under the base word (e.g., wasting assets under assets) and again listed, without definitions, under the appropriate letter of the alphabet (e.g., wasting assets under W) and cross referenced to the base word by the use of the two words "see under." These duplications of terms exceed 1,000 in number and add little but confusion to the book. Cross references to related terms, synonyms, etc., are made by the use of the one word "see," e.g., "equated time—see averaging of accounts"; "fictitious name—see assumed name"; "drummer—see commercial traveler." These latter cross references are most desirable and obviate the duplication of definitions.

There is an appendix extending over 70 pages which includes a variety of information, such as monetary systems of the United States and foreign countries; postal information; legal holidays; statute of limitations table; interest and income tables; tables of weights and measures and of equivalents; abbreviations and signs; and a bibliography.

The preface states that "this book is intended as a compendium in one handy volume of all important terms used in business and finance generally. It is a composite work, done by many hands under the direction of the publishers, and includes definitions and data culled from numerous sources."

There is included in the preface a list of the individuals, corporations, public departments and periodicals that have contributed to the book (in addition to the authorities mentioned in the bibliography) and special mention is made of Henry Ware Jones who supplied most of the legal terms and of *Smith's Financial Dictionary* (published in 1903 and now out of print), but the identity of the master mind remains hidden in "the publishers."

As might well be expected in the circumstances, some classes of terms are dealt with more extensively than others, and some are better defined than others. The legal definitions are especially good and the insurance and shipping terms stand out as being very well covered, but the space devoted to the latter is somewhat disproportionate to the length of other definitions of equal importance. The definitions of financial and Wall street terms are, in many cases, copied verbatim from *Smith's Financial Dictionary* and when so copied are good, but, in some cases *Smith* is paraphrased or edited with unhappy results, for example: a cremation certificate is defined as and limited to "one issued by the New York stock exchange," instead of citing one furnished to the exchange as descriptive of one of several kinds common to business transactions.

The definitions of bookkeeping and accounting terms detract from the value of the dictionary as they contain too great a proportion of inaccuracies and ambiguities, e.g., tangible assets are defined as "those which are

considered good and can be appraised" (far wide of the mark); a petty-cash fund is stated to be the same as an imprest fund (there is a technical difference); the books essential to double-entry bookkeeping are stated to be a day-book, journal and ledger (this error appears to be perpetuated in each succeeding publication); a cash journal or cash book is usually divided into two books, according to the dictionary, viz., a cash or collection register and a cheque register (very misleading); a sales journal is stated to be "a subsidiary of the regular journal" (which it may or may not be); and a ledger is defined as "the final book of accounts into which are posted the summaries of the accounts which are kept in the other books of a concern." This latter definition is a good example of narrowness, as it is descriptive merely of a private ledger containing only summary postings, a book not frequently met with in these days of frank and open disclosure.

A stock dividend is defined as "a dividend payable in the stock of a company which declares such dividend or (occasionally) in the stock of a company owned by it," and I am wondering what occasions the "occasionally," as a dividend paid in the stock of a subsidiary has uniformly been held, at least by the federal courts, to be a security or property dividend (and therefore taxable) and not a stock dividend (vide, the "pipe line" cases and the "Phellis" case, also article 1547 of regulations 62) and the New York state income-tax law specifically limits stock dividends to those payable by a company in its own stock. If the laws of other states run contrary to the foregoing, it would be a matter of considerable interest.

Goodwill is defined as "the evaluation placed upon the reputation, patronage, drawing power, and other intangible advantages possessed by a business concern in operation, including name and good disposition of its customers." The last clause would obviously bar goodwill from the assets of a private institution for the care of neurasthenics. The "capitalization of expected profits" is suggested by the writer of this review as a terse definition of goodwill.

The publisher's advertisement on the paper cover of the book runs true to form and should, as usual, be taken with a grain of salt; however, the statement contained therein that "this volume should prove a treasure to the business man and ambitious student" is concurred in with reservations, chiefly in reference to the class of definitions adversely criticized above.

EDWARD H. MOERAN.

ACCOUNTANCY SIMPLIFIED AND YOUR FINANCIAL POSITION SEEN AT A GLANCE, by HENRY G. PURNELL. *Gee & Co.*, London. 140 pp., cloth.

In the first seventy pages of this book will be found a set of forms with explanatory notes describing a columnar system of bookkeeping under English usage. In the remaining seventy pages is a catalogue of *Gee & Co's* accounting publications. The catalogue is very good.

W. H. LAWTON.

FIRST PRINCIPLES OF ADVERTISING, by WILBUR D. NESBIT. *The Gregg Publishing Co.*, New York.

A handbook setting forth the first steps, principles and practice in the art of writing advertisements by an expert. It is intended for beginners in that line and is to be followed by a second volume going more into details. Very readable and full of sound aphorisms on what is in effect mob psychology.

W. H. LAWTON.

FEDERAL INCOME TAX INDEX, Vol. I, and SUPPLEMENT TO SEPTEMBER 30, 1922, published by *Income Tax Index Service, Inc.*, Newark, New Jersey.

As the title denotes this *Index* is purely for reference to income-tax laws, regulations and rulings, without comments or explanations, the user being referred to the exact words of the original sources. The main part of both volume I and the supplement, the part that will be found most useful by the accountant, is devoted to a topical index. Finding the subject in alphabetical arrangement on which he desires light, the user is referred in one line to the law, article of regulations, weekly bulletin, ruling number and cumulative bulletin number and page. There are six other parts which are convenient for cross-reference, as for instance, if one wishes to know what rulings have been made under a given article of the regulations and the like. Volume I covers all rulings down to December 31, 1921; and the supplement, to September 30, 1922.

Obviously the *Index* is useful only to the accountant who receives and preserves the issues of the federal bulletin service of the government. From practical experience I can cheerfully recommend it as a great convenience when one is in a hurry—and one usually is when engaged in income-tax work. The government's cumulative bulletins are well indexed to be sure, but it is sometimes necessary to consult six or seven indexes to find what one wants.

W. H. LAWTON.

Practical Federal Income-tax Procedure, by J. V. GIBLIN. Seaver-Howland Press, Boston.

In my notice of this book published in the June issue of THE JOURNAL OF ACCOUNTANCY I commented on the failure to include the new 1922 corporation return, form 1120. It appears that the publishers issued a supplementary chapter containing this form which was not released till February, 1923. This pamphlet was furnished to all customers without extra charge, making the *Procedure* up to date. Through some inadvertence no copy came to me. I presume there will be a new edition for 1924 which will include the supplementary chapter. It will be noted that the author includes the "loss of prior years" as one of the "other deductions" in his illustration. This brings up the question of the agreement of the form with the law. The law states explicitly that the loss of prior years

is to be deducted from the net income of the taxable year, but it is not so provided for in the form. An explicit ruling from the income-tax unit would be useful for our guidance next year.

W. H. LAWTON.

R. W. Boisselier

R. W. Boisselier, member of the American Institute of Accountants, certified public accountant of Missouri, died at St. Louis August 1, 1923. Mr. Boisselier had been in practice for many years and had been active in state and local society matters. He was the treasurer of the St. Louis chapter of the Missouri Society of Certified Public Accountants.

American Institute of Accountants—Minnesota Chapter

At a meeting of the Minnesota chapter of the American Institute of Accountants held at the Minneapolis club August 16th, the following officers were elected: Julius J. Anderson, president; J. E. MacGregor, vice-president; A. F. Wagner, secretary and treasurer. These officers with E. J. Bishop and Herbert M. Temple constitute the board of directors.

Society of Louisiana Certified Public Accountants

At the annual meeting of the Society of Louisiana Certified Public Accountants, held August 9, 1923, the following officers were elected: George A. Ruhl, president; Henry J. Miller, vice-president; George A. Treadwell, secretary; Curtis F. Scott, treasurer. These officers with G. R. Green, R. J. Le Gardeur and Thomas A. Williams constitute the executive committee.

Washington Society of Certified Public Accountants

At the annual meeting of the Washington Society of Certified Public Accountants held August 25, 1923, the following officers were elected: President, James M. McConahey; vice-president, William McAdam; secretary and treasurer, C. S. Cowan. These officers, with J. P. Robertson and A. S. Hansen, constitute the board of directors. Herbert W. McIntosh was elected auditor.

Morton & Berman announce the removal of their offices to 299 Broadway, New York.

Sol Hirsch announces the removal of his office to 151 Fifth avenue, New York.

Appel & Littell announce the removal of their offices to 52 Broadway, New York.