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## Book Reviews

W. H. Lawton

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## Book Reviews

THE MODERN TRUST COMPANY, by FRANKLIN BUTLER KIRKBRIDE, J. E. STERRETT and HENRY PARKER WILLIS. Fifth edition. *The Macmillan Company*, New York. 550 pp.

Like the visit of an old friend comes the fifth edition of Kirkbride and Sterrett's complete and authoritative manual, *The Modern Trust Company*. Longer ago than he likes to recall, the writer spent many evenings poring over an early edition of this book in a strenuous attempt to cover the whole field of accounting preparatory to taking the C. P. A. examination, and because the examination paper contained two questions on bank accounting he could not have answered otherwise, he has always felt warmly grateful to the authors. What he thought of the book at that time, however, was lately very succinctly expressed by the teller of his local bank to whom he had lent the book for home study: "I never knew before how much there was to know about trust companies." The reviewer feels that he cannot better that appreciation. Only by actual experience or long observation at close hand can one realize the immense amount of detail involved in running a trust company or writing a book about it.

The functions of a trust company, how it is organized, the duties of the officers, the division of the work among various departments, the methods of work, the duties of clerks and employees down to the night-watchman and cleaners—all these are fully and exhaustively covered. The accounting of each department is given in ample detail, and a chapter on "General accounting" describes how they are all "tied in" to the general ledger and internal auditing checks provided through the controller. In view of the traditional conservatism in methods of banks and trust companies one does not look for nor find any radical changes from former editions in these matters.

But since the last edition there has been a very important step taken by the country which materially affects trust companies—the passage of the federal reserve act. This act authorizes national banks to engage in trust functions, thus opening a field hitherto monopolized by the trust companies. It also permits trust companies to become members of the federal reserve system, thus bringing such companies for the first time under federal control. At the end of 1919 nearly half the two thousand and odd trust companies of the country had joined the system, and it is a pretty safe guess that in time they will all be in the fold. Naturally no textbook on trust companies can be considered complete without a study of the federal reserve system and its effect on the trust company. This element is supplied in this new edition by Mr. Willis, formerly expert advisor to the house committee on banking and later the first secretary of the reserve board. His chapters on the principles, methods and practice of the federal reserve system are interesting and instructive. Although eight years have passed since the system was established there is still considerable haziness in the minds of the general public on the subject.

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The student of accountancy who wishes to be thoroughly up-to-date will do well to post himself by Mr. Willis's clarifying chapters.

For many years the trust companies have been engaging in general banking in competition with the national and commercial banks. Now we have the national banks taking on trust functions. The logical conclusion is, as Mr. Willis puts it, that "events are rapidly moving toward the development of a composite type of institution which will perform the functions of both the bank and the trust company." We should say it is already here. The modern trust company seems to be doing about everything a national bank does except to issue its own notes. And does it not do even that indirectly?

W. H. LAWTON.

THE BUSINESS MAN'S ENGLISH, by WALLACE EDGAR BARTHOLOMEW and FLOYD HURLBUT. *The Macmillan Company*, New York.

*The Business Man's English* is a convenient little manual of English as it should be spoken and written. The first half of it is devoted to drill-work for commercial high-school students and consists mainly of common errors in construction, pronunciation and spelling with parallel corrections. The authors appear to proceed on the two fundamental principles that the use of correct English is a matter of habit, and that a horrible example is more effective than any amount of memorizing of technical rules. The remainder of the book deals with office correspondence and procedure in more or less detail. While intended primarily for a school textbook it may be recommended as a quick reference book for the office worker who lacks thorough training or has become mentally careless.

W. H. LAWTON.