

10-1918

Announcements

American Institute of Accountants

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Recommended Citation

American Institute of Accountants (1918) "Announcements," *Journal of Accountancy*. Vol. 26: Iss. 4, Article 12.

Available at: <https://egrove.olemiss.edu/jofa/vol26/iss4/12>

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The Journal of Accountancy

Early in the second year the properties had been developed sufficiently to indicate wonderful probabilities and the prospect was used commercially to such extent that market trading was active at figures greatly in excess of par. At this time, the corporation trades its balance of treasury stock holdings for control in a holding company whose balance-sheet indicated a book value of less than par.

When you acquire any asset by trade or barter of some asset that you give for it, the price of the asset acquired must be the value of the asset relinquished.

Therefore, when the corporation traded its treasury stock for control in a holding company, the cost of the latter was the amount for which the corporation could have sold its treasury stock.

This holds good for any payment made with treasury stock. If the president of a mining company in process of development agrees to accept 1,000 shares of treasury stock for his salary each month when that stock is selling at 15 cents a share, the proper charge to expense is \$150.00. That is all the president gets, and that is all that the company really parts with in available value.

I do not know why you say a "holding company." The first corporation, A, could not own control of a company B, that also would own control of A. If B is the holding company of a third company C, the fact that it is a holding company does not affect the question.

T. W. Betak & Co. announce the formation of a partnership composed of T. W. Betak, F. B. Andrews and C. A. Joachim, under the firm name of Betak & Andrews, with offices at 7 South Dearborn street, Chicago.

Louis W. Wilson announces the formation of a partnership consisting of Louis W. Wilson and K. W. Heye under the firm name of L. W. Wilson & Co., with offices at 419 Chamber of Commerce building, Rochester, New York.

Hugh Dysart announces the removal of his office to the Fiske building, 89 State street, Boston.

Haskins & Sells announce the opening of an office in Boston on September 1, 1918, in the India building, 84 State street, and the appointment of Ralph K. Hyde as manager.

Jas. Jasper Smith announces that his son, Harlan Gregory Smith, has become associated with him in practice, under the firm name of J. J. & H. G. Smith.