

11-1917

## Announcements

American Institute of Accountants

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### Recommended Citation

American Institute of Accountants (1917) "Announcements," *Journal of Accountancy*: Vol. 24: Iss. 5, Article 8.

Available at: <https://egrove.olemiss.edu/jofa/vol24/iss5/8>

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at first it will be written off during the life of the plant, and will not be a permanent profit at all. On the other hand, if the work is charged out at cost, the annual depreciation will be less and the saving will be realized by the smaller yearly charge against profits for depreciation.

8. (a) How would you deal in the balance-sheet of a corporation with shares recovered from a vendor to whom they had been issued as fully paid and who had returned them in settlement of a claim for fraudulent misrepresentation in respect of the property sold by him to the corporation?

(b) How would you deal with these shares for the purposes of a dividend?

*Solution.* It depends on how the accounts connected with the issue of the stock have been kept. If only the issued stock has been credited to capital stock and no account is kept with unissued stock, I would charge the returned stock directly to the capital stock account. If unissued stock account is or has been, on the books through the opening entries, I would charge the returned stock to unissued stock account.

The reason for this treatment is that the fraud has vitiated the transaction which led to the original issue of the stock. Therefore the situation is the same as if the stock had never been sold or issued for the property, and the books must be brought into the same condition as would have been the case if the fraudulent transaction had not taken place.

The returned stock cannot be charged to treasury stock account. Treasury stock is such stock as has once been issued fully paid and has since been re-acquired by the corporation. This stock was never paid for, since the consideration given for it was fraudulent.

The stock being no longer outstanding would not be considered at all for dividend purposes, unless as unissued stock it was used as the means of paying a stock dividend.

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Ernest Crowther, C.P.A., and Charles C. Sheppard, C.P.A., announce the opening of offices at 1902 First National Bank bldg., Pittsburgh, Pa., under the firm name of Crowther & Sheppard, certified public accountants.

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Jacobson & Greenfield, C.P.A., 51 Chambers street, announce that M. Morris, C.P.A., has been admitted to the firm and that the firm name will be changed to Jacobson, Greenfield & Morris.

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George H. Penn, C. P. A. wishes to announce the opening of offices in the Liverpool & London & Globe Building, New Orleans, Louisiana, for the practice of accountancy.

## *The Journal of Accountancy*

United States Civil-Service Examinations—Stenographers and Typists wanted—Men and Women—The United States Government is in urgent need of stenographers and typists. All who pass examinations for the departments and offices at Washington, D. C., are assured of certification for appointment. It is the manifest duty of citizens with this special knowledge to use it at this time where it will be of most value to the government. Women especially are urged to undertake this office work. Those who have not the required training are encouraged to undergo instruction at once.

Examinations for the Departmental Service, for both men and women, are held every Tuesday, in 450 of the principal cities of the United States, and applications may be filed with the Commission at Washington, D. C., at any time.

The entrance salary ranges from \$1,000 to \$1,200 a year. Advancement of capable employees to higher salaries is reasonably rapid.

Applicants must have reached their eighteenth birthday on the date of the examination.

For full information in regard to the scope and character of the examination and for application blanks address the U. S. Civil Service Commission, Washington, D. C., or the Secretary of the U. S. Civil Service Board of Examiners at Boston, Mass.; New York, N. Y.; Philadelphia, Pa.; Atlanta, Ga.; Cincinnati, Ohio; Chicago, Ill.; St. Paul, Minn.; St. Louis, Mo.; New Orleans, La.; Seattle, Wash.; San Francisco, Cal.; Honolulu, Hawaii; or San Juan, Porto Rico.

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The University of Illinois has decided not to repeat the short course in business which has been given several years for the reason that the demands on both faculty and students for war service of one sort and another have become so insistent that it is felt that such energies as are available should be devoted to the promotion of this service. Members of the faculty who have been depended upon to conduct the short course have also been called into government work.

Illinois business men have received the short course work with favor and it is hoped that, with the return of normal conditions, the University will be able to take up this service again and extend its usefulness.

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This is to announce that Ben Morris, C. P. A., a member of the American Institute of Accountants, has been commissioned a Captain in the United States Army, Quartermaster Department, and is now in France.