

THE *Kentucky* CPA ACCOUNTANT



BULLETIN OF THE KENTUCKY SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

Vol. I

SEPTEMBER, 1949

No. 7

CONGRESSMAN MORTON TO ADDRESS FIRST FALL MEETING

"The Federal Tax Dilemma" will be presented to the members of the Society by Thruston B. Morton, Chairman of the Board of Ballard & Ballard, Louisville, and member of the United States House of Representatives from the third Kentucky congressional district. The meeting, which marks the beginning of 1949-50 Society activities, will be held in the Oak Room at the Seelbach Hotel, Louisville, at 6:30 p.m., Friday, September 23, 1949.

CPA's-Finance Officers Study Town Problems

The Governmental Accounting Committee of the Society plans to hold another joint meeting with the Kentucky Municipal League Finance Officers' committee next month, according to John W. Kercher, chairman of the Society's committee. At the last such meeting, held at the Kentucky Hotel, Louisville, on May 19, 1949, the CPA's and finance officers present gave special attention to the advantages of fiscal year changes by cities, and this subject will be explored further at the October meeting.

Advantages to cities of fiscal years ending on May 31, or June 30, were cited as follows:

1. Such years would conform more closely with their tax collection year. So that collections could all be made within the year and no large amount of uncollected taxes would be outstanding at the close of operations for the year.
2. Present balance sheets usually show large cash accumulations from tax collections which are needed for operations of the city until the next year's taxes are collected. That situation is misleading to the average citizen by creating the impression that the city has surplus funds where, in reality, that situation is not true. Thus subsequent borrowing or increases in tax are misunderstood and resented.

(See Page 8)

Small Business Index Meets Need

"Hard-to-find" information about business products, procedures, and profits has been made easily available to busy business and professional men in the 1949 revision of the Small Business Index to Selected Department of Commerce Publications, recently issued by the U. S. Commerce Department Office of Domestic Commerce.

Fifteen booklets and pamphlets are listed under the caption "Accounting and Auditing Services" in the INDEX. Titles listed include:

The Control of Cost in a Small Manufacturing Business, Small Business Aids No. 384, December 1947.

Public Accounting in Smaller Communities, Small Business Aids No. 102, February 1947.

Public accountants who desire to include in their reports an appraisal of the clients' position in his field may find it profitable to secure some or all of the thirty-six industry and service trade "Operating Ratios" listed. All of the "Ratios" are available without charge, and the price of most of the other publications is nominal.

The SMALL BUSINESS INDEX may be obtained by writing to the U. S. Department of Commerce, 631 Federal Building, Louisville 1, Kentucky. Enclose twenty-five cents in your letter, to cover the cost of the Index.

THE KENTUCKY ACCOUNTANT

published by
**KENTUCKY SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS**

Kentucky Home Life Bldg.
Louisville 2, Ky.
Tel. Jackson 4492

EARLE B. FOWLER, *Editor*

VOL. I September, 1949 No. 7

The KENTUCKY SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

OFFICERS

Waller Grogan	<i>President</i>
W. R. Williamson	<i>First Vice-President</i>
Jess C. Paris	<i>Second Vice-President</i>
W. Kenneth Simpson	<i>Secretary and Treasurer</i>
Earle B. Fowler	<i>Executive Secretary</i>

DIRECTORS

James O. Boswell	Owensboro
John E. Brown	Louisville
Charles W. Erskine	Louisville
Sam W. Eskew	Louisville
Gordon Ford	Louisville
Waller Grogan	Louisville
J. Wesley Huss	Louisville
Irvin W. Imhof	Louisville
Jess C. Paris	Lexington
W. Kenneth Simpson	Louisville
Charles M. Wheeler	Louisville
Wilbur R. Williamson	Louisville

Tax Settlement Board Bill

The front page of the September 1, 1949, issue of *Tax Topics* carried an article by John L. Carey, Executive Director of the American Institute of Accountants, describing the progress which has been made toward establishment of a Tax Settlement Board.

Carey's article, reprinted by permission of *The Accounting Review*, pointed out that the proposed Board would serve as an informal and impartial appeals agency, outside the Bureau of Internal Revenue "to handle tax controversies which cannot be settled with Bureau representatives." Thus it would serve the purpose which motivated creation of the Board of Tax Appeals in 1924.

Since Carey's article was written, sponsors of a bill to make the present U. S. Tax Court (formerly the Board of Tax Appeals) a court of record have continued to push their proposal despite the request of accountant organizations and individual certified public accountants that the Tax Court proposal and the Tax Settlement Board bill be considered together. These requests for joint consideration of the two bills were supported by the Society in a resolution adopted at Owensboro, Kentucky, April 29, 1949.

The President's Message . . .

Now that most of us have taken a brief rest from our labors and have returned with new vigor to attack the problems of the clients we serve, I hope that we will each give serious consideration to our own problems which face us as a state-wide professional group.

During the past year we have steadily improved our meeting programs and have strengthened relations with other professional bodies. We have inaugurated a public relations program, utilizing the services of our executive secretary and the office facilities which he provides. We have begun the publication of our monthly bulletin, the *Kentucky Accountant*. Undoubtedly, 1948-49 was a year of accomplishment.

However, we must recognize that the true professional standing which we possess is not as widely recognized as it should be—indeed as it must be—if we are to defend ourselves successfully against unwarranted and unreasonable attempts to weaken our professional standards. We must assume more active leadership in the field of accountancy education and training; we should be prepared to undertake studies and surveys, in co-operation with government officials and also with other organizations, as to governmental policies, business problems, labor relations, and taxation in all its aspects. Accounting is a vital factor in these matters, and our position as an organization of independent, professional servants of the public enables us to offer sound, unbiased advice and help on problems of public concern.

During the coming year we expect to sponsor, jointly with the University of Kentucky, an Institute on Accounting and Taxation, which lawyers, bankers, controllers, cost accountants, and students in all such fields will be invited to attend. We shall continue to work with the Kentucky Municipal League and state officials on problems of governmental accounting. We shall endeavor to provide facilities for giving American Institute aptitude tests to students and others seeking employment in accounting work, and to candidates for the C.P.A. examination. We shall work closely with the State Board of Accountancy in its efforts to enforce the accountancy law which we sponsored more than three years ago, and to administer, fairly, regulations and rules of professional conduct applicable to all public accounting practitioners in Kentucky.

With your full support, and your help on individual projects, the Society can accomplish these things. Because I know that you want the Society to be truly representative of the dignity and worth of our profession, I am proud to serve you as President, and I shall do my best to be deserving of your confidence.—W. G.

KENTUCKY SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

TECHNICAL COMMITTEES

Accounting and Auditing Procedure

(Also audit of Society books)
L. B. McIntire, Chairman
John E. Brown
Charles W. Erskine
Joseph J. Jones, Jr.
Irvin L. Levitan

Governmental Accounting

John W. Kercher, Chairman
Espy Bailey
James R. Meany

Education

Albert Christen, Chairman
Robert D. Haun
George W. Howard, Jr.
Irvin W. Imhof

Federal Taxation

Austin Gresham, Chairman
J. Wesley Huss
Wm. H. Leavell
John C. Meredith
Bradley O. Turner

Co-operation with the Bar

(Also "Practice Committee," under agreement with Louisville Bar Association)
Sam W. Eskew, Chairman
C. R. Escott
Robert Miller

Co-operation with Bankers

J. A. Hunter, Chairman
P. Willett Hagan
Charles M. Wheeler

Natural Business Year

L. C. J. Yeager, Chairman
Clement F. Schildt
Richard E. Vollertsen

State Taxation

Jess C. Paris, Chairman
Louis E. Ackerson
Espy Bailey

Local Taxation

Harvey Cardwell, Chairman
Walter E. Bromley
Stanley P. McGee

INTERNAL COMMITTEES

Professional Ethics

Maurice Luker, Chairman
William Cotton
Robert Miller
L. C. J. Yeager

Public Information

William Cotton, Chairman
G. Byron Kirby
James C. Warren

Membership and Admissions

Paul Halloran, Chairman
Charles W. Erskine
Ishmael Planck

Constitution and By-Laws

J. B. Brown, Chairman
U. S. Whalin
Charles M. Wheeler

State Legislation

Sam W. Eskew, Chairman
J. O. Boswell
Gordon Ford
John S. Petot, Sr.

Meetings

Gordon Ford, Chairman
Morris A. Lee
Jess C. Paris
W. K. Simpson
W. R. Williamson

Entertainment

Jos. R. Wermeister, Chairman
Lawrence Long
John S. Petot, Jr.
L. S. Sorbo
Irvin L. Wasserman

SPECIAL COMMITTEE

Nominations

Gordon Ford, Chairman
Austin Gresham
Paul Halloran
Maurice Luker
Charles M. Wheeler

(The President, Secretary, and Executive Secretary are ex officio members of all committees)

STATE BOARD OF ACCOUNTANCY OF KENTUCKY

John S. Petot, *President*; J. O. Boswell, *Member*; L. C. J. Yeager, *Sec'y-Treas.***Directory Listings**

Louisville licensees of the State Board of Accountancy are uniformly listed in the classified section of the September, 1949, telephone directory under one of the two permissible captions, "Accountants—Certified Public" or "Accountants—Public." The names of licensees formerly listed under headings other than "Accountants—Certified Public" or "Accountants—Public" have been deleted from such listings, to conform to the requirements of Rule 14 of the Official Code of Ethics of the Board.

Letters have been sent by the Secretary of the Board to telephone company offices in all Kentucky cities which have classified pages in their telephone directories, and replies have been received from a number of them indicating their desire to co-operate with the Board, and thus to avoid embarrassment to their subscribers who may thoughtlessly request listings not permitted under the Board's rules of professional conduct. Certified Public Accountants and Public Accountants in such Kentucky cities are urged to review the listings which they may be carrying, and to report to the Board office violations of Rule 14 or any other provisions of the Official Code of Ethics.

How Are They Doing?

Of 79 candidates who sat for the C.P.A. examination in May, 1949, more than half were taking the examination for the first, second, or third time. An analysis of those sitting, by date of first examination, follows:

First Examination	May 1949 Examination	
	No. Sat	Cts. Granted
Spring, 1949	16	---
Fall, 1948	21	4
Spring, 1948	7	2
Fall, 1947	5	1
Fall, 1946	1	---
Spring, 1946	9	1
Fall, 1945	5	---
Spring, 1945	1	---
Fall, 1944	4	---
Spring, 1944	2	---
Spring, 1943	2	---
Spring, 1942	2	---
Year, 1941	1	---
1940 and prior years.....	3	1
Totals	79	9

Actions on Complaints

Evidence of three violations of the Kentucky accountancy law was presented to the Board in August. Warning letters were sent to two of the individuals charged with such violations and a conference was held with the third. In each case the violations were first offenses, and no formal hearing was held. Action by the Board was deferred in the case of a registered public accountant who failed to secure his permit to practice for 1949-50, pending a determination as to whether he is in fact now engaging in the practice of public accounting in Kentucky.

C.P.A. Examination

Deadline for submitting completed applications to sit for the C.P.A. examination, to be held in Louisville, November 16, 17, and 18, 1949, will be October 16, 1949. Eleven applications have been submitted and are now being reviewed by the Board.

An Interesting Sidelight

The Personnel Council of the Commonwealth of Kentucky recently held examinations for the position of "Senior Accountant" (among others). This excerpt from the minimum qualifications established by the Personnel Council for the "Senior Accountant" job applicant may interest our readers:

"MINIMUM QUALIFICATIONS: Graduation from a college or university of recognized standing with at least 24 quarter or 16 semester hours in accounting. Four years of successful full-time paid employment within the past ten years in the field of auditing and accounting; one year of which must have been in the particular field to which assigned. Each year of graduate study in accounting in a graduate school of recognized standing may be substituted for one year of general experience; no substitution being allowed for the required year of specialized experience, except in the Department of Economic Security. During the emergency, each additional year of experience in the fields of auditing and accounting may be substituted for one year of college education. A C.P.A. certificate issued by the Kentucky State Board of Accountancy, or any state which gives the examinations authorized by the American Institute of Accountants, shall be considered as evidence of filling the educational and experience requirements."

AN INFORMAL LETTER

To Candidates for the C.P.A. Examinations

By L. C. J. Yeager, Secretary
State Board of Accountancy of Kentucky

In nearly all other professions the Kentucky statutes require that the candidate for a professional license must have successfully completed a formal and specialized course at or above college level. The Kentucky accounting law, on the other hand, permits candidates to qualify for the C.P.A. examination with only a high school education. This apparent "lowering of standards" in our profession is by no means intended to indicate any "lowering of standards" at all. Many persons who cannot attend our colleges and universities due to finances, family responsibilities, or other causes, attain the level of a college education through home study, reading, college extension courses, night schools, and correspondence courses. For such individuals the doors to the C.P.A. profession have been kept open by appropriate provisions of the accountancy law. Unfortunately there are some who have construed the law as indicating that preparation for the profession does not require specialized study, and that a high school education plus the required years of work experience is adequate preparation for the C.P.A. examinations. Nothing could be further from the truth.

Let us face the matter fairly. The uniform C.P.A. examination, the same given by 45 other states, the District of Columbia, and 4 territories is not pitched at the level of a high school education in so far as Auditing, Accounting Theory and Practice, and Commercial Law are concerned. They are, and should be, at the level of the graduate having technical college training with respect to the subjects enumerated; and the person aspiring to qualify as a C.P.A. without such specialized knowledge, regardless of whether acquired in school, by correspondence course, or by private study and research, is seeking to acquire something without paying the price demanded of him by the public. Almost without exception this type of individual meets with abject failure and bitter disillusionment.

The high regard in which the Certified Public Accounting profession is held by the public is tribute to the fact that the public demands that CPA's be possessed of technical knowledge comparable to or even greater than in other professions.

Ours is by no means a static profession, as possibly is the mathematician's. He who is so constituted that he cannot do the necessary study and research to prepare to enter it, could hardly be expected to keep abreast in

this day of everchanging laws, regulations, procedures, and techniques which have a profound effect upon the work for which we are responsible to the public.

A dental assistant may stand beside the practicing dentist for years on end observing every move the dentist makes, yet none but the ill-advised would believe that the examination for a dentist's license is pitched on a level so low that such an assistant could possibly pass the professional examination WITHOUT INTENSIVE STUDY in addition to the mere watching and participation in the techniques of the practitioner.

An individual, practicing as a "public accountant" will normally encounter problems and questions in a C.P.A. examination with which he has not been confronted in his personal experience. By aspiring to acquire the title "Certified Public Accountant" the individual wishes to give proof to the public that he is qualified to meet ALL REASONABLE SITUATIONS that may arise. Is there any reason to expect the public to entrust him with their problems before he has proved his fitness? Therefore he must couple with his desire to qualify as a full-fledged practitioner, a corresponding desire to prepare for such full-fledged practice. There is a vast difference in the basic knowledge required of an expert bookkeeper and a Certified Public Accountant.

Every person engaged in public accounting has or should have access to the publication, *The Journal of Accountancy*. Therein are reproduced the questions and answers to each of the uniform examinations. Those few who foolishly enter the C.P.A. examinations without adequate preparation "just to see how they would do" would be far kinder to themselves if they would experiment privately on the examinations, grading their own results with the published answers or having a qualified person do so. They would thus conclusively prove to themselves that the attainment of a Certificate is not to be achieved merely by the payment of the statutory fee of \$25.00 and two and a half grueling days of writing in the examination room.

In summary, the C.P.A. examinations are designed to be a test of the candidate's KNOWLEDGE of Auditing, Commercial Law, Theory of Accounts, and Accounting Practice, and he who enters the examining room without the requisite study of these subjects is doing himself a grave injustice.

Audits of Government Agencies Under Kentucky Law

By Earle B. Fowler

The right of state, county, or local government agencies to retain public accountants to audit agency records when necessary is generally acknowledged, but occasionally a question arises as to the propriety of an expenditure for such services by a particular officer, board, or commission. Specific provision has been made in the Kentucky Revised Statutes for the retention of independent public accountants to audit a number of agencies or units of government, and authority to employ such independent public accountants is assured to other officers and governing bodies by judicial decision.

State Agencies

With reference to state agencies, generally, the law prescribes that the State Auditor shall "audit annually, and at such other times as may be deemed expedient . . ." all state agencies, all "private and semi-private agencies receiving state aid or having responsibility for the handling of any state funds . . ." and the general accounts of the state (KRS 43.050). There is no evidence in the statutes however, that the duty thus imposed upon the State Auditor deprives any agency of the right to have its records audited otherwise. On the contrary, by statutory provision the governor may, at any time, "cause to be made a comprehensive and complete audit, study or survey of any agency of the state" (KRS 11.090).

The General Assembly has provided specifically for a review of State Department of Highways records. Listed among that Department's powers and duties is the provision that the Department "shall from time to time examine and have examined and audited all of its books, papers and records" (KRS 176.050). The Highway Department also "may covenant in the contract for the sale of (state bridge) bonds that at least twice a year after the bridges in the project are placed in operation, the department will cause audits of all bonds and accounts to be made by certified public accountants . . ." (KRS 180.210).

The statute establishing the State Fair Board provides that "An annual accounting . . . shall be made by the Auditor of Public Accounts" (KRS 247.190). This provision is actually superfluous, since—as we have seen—responsibility for the audit of all state agencies is imposed upon the State Auditor by the law creating his office and defining his duties.

It is evident that legal authority exists for the employment of independent public accountants to audit many state agencies,

either by express provision in the statutes in some instances or by implication in others. The extent to which such implied authority may be relied upon is briefly discussed later in this article.

Counties and Local Government Agencies

Kentucky law imposes upon every public officer (except in Jefferson County and in cities of the second, third, and fourth classes, for which separate provision is made), of any county, graded school district, city, or subdivision or district less than a county, responsibility for preparing a financial statement. The officer's statement must show ". . . the amount of public funds collected and received, from what sources received, the amount disbursed, the date of each disbursement, for what purpose expended and to whom paid . . ." A copy of the "audit report" (sic) must be published, and a copy must be filed with the county clerk (KRS 61.290). However, a Kentucky Court of Appeals decision permits cities having the city manager form of government, and also cities of the second, third, and fourth classes having the commission form of government, to publish a more condensed audit report, as provided in the statutes applicable to such cities. (*Washburn v. Paducah Newspapers, Inc.* 275 Ky. 527; 121 SW (2d) 912).

The Jefferson County fiscal court is authorized to employ ". . . an independent firm of certified public accountants to audit accounts of all county officers not oftener than once in any fiscal year" (KRS 68.150). Generally, the fiscal court in any Kentucky county may "have the accounts of all county officers audited, when necessary . . ." (KRS 67.080). The Kentucky Court of Appeals has held that the statutes empower a fiscal court to employ an accountant to investigate books, accounts, and records of county officers and employees. Reference is made to that decision later in this article.

In cities of the first and second classes the statutes designate the city official who must make annual reports on the financial condition and requirements of the city. These officials are the *Director of Finance* of Louisville and the *Auditor* of any second-class city.

An act passed by the 1948 General Assembly included a provision requiring that annual audits be made of cities of the second, third, and fourth classes. The law states that ". . . an annual audit of all the accounts of all city officers shall be made at the termination of each fiscal year." To make the audit, "the legislative body shall select . . . qualified public accountants . . ." (KRS 91.405). It

is noteworthy that under another chapter of the Kentucky Revised Statutes only persons holding permits to practice public accounting issued by the State Board of Accountancy of Kentucky are permitted to hold themselves out as qualified to engage in such practice in this state (KRS 325.380). A list of persons to whom such permits have been issued is published annually in the *Register* of the Board.

A law which pertains directly to the University of Louisville and the Louisville Municipal College requires that "an annual report and audit (of those institutions) shall be made in addition to other reports required by (their charters)" (KRS 165.140; 165.200). With reference to any municipal junior college in a city of the second class, the law requires that "An annual report and an audit . . . shall be made by the board of education of the city" (KRS 165.250).

Officials of "each educational institution and each school district supported in whole or in part by taxation shall make a report to the State Board of Education at the close of each scholastic year, showing in detail all funds received . . . and a detailed statement of all expenditures . . ." (KRS 157.060). This general provision for audit of tax-supported educational institutions is supplemented by special provisions covering school districts, building funds, annuity funds, and junior college funds.

Local boards of education may require ". . . a due and proper audit . . ." of the board treasurer's records and also of the depository's records of transactions involving board funds ". . . by a competent outside agent" (KRS 160.570). In the case of school building funds, the local board of education ". . . shall cause to be made annually an audit . . . by a certified public accountant or by an accountant approved by the State Department of Education" (KRS 160.476). With reference to junior college funds in counties containing a city of the fourth class, the law provides that "An annual report and audit of receipts and disbursements of the junior college fund shall be made by the board of education of the school district annually as of July 1" (KRS 165.300). Although local school district annuity funds have now merged with the state system, it is interesting to note that the law governing such funds during the period of their existence provided that the local board of education "shall safeguard the fund . . . by providing for an annual audit by a reputable auditing firm" (KRS 161.710).

The statute permitting the establishment of sanitation districts provides that the board of directors of each district "shall have an annual audit made by a certified public accountant . . ." (KRS 220.280).

In "cities of the first class, and counties containing such cities" annual audits of two

independent agencies are required. The Board of Registration Commissioners "shall keep complete records of all receipts and disbursements, which shall be audited annually." The Louisville and Jefferson County Planning and Zoning Commission shall "cause an annual audit to be made, of all its receipts and expenditures by an official of such city or county, or by an auditor or accountant approved by the mayor of said city and county judge of said county" (KRS 117.230; 100.039).

Court Interpretation of Government Agency Powers

Where the statutes do not charge any government official with the express duty to audit the records of a particular agency, there can be no question as to the right of the agency to retain independent public accountants. With reference to audits of county records, the Kentucky Court of Appeals has held that, in the absence of such authority, the fiscal court ". . . could not in any proper manner, perform the duty required of it in the management of the fiscal affairs of the county." (*Taylor v. Riney*, 156 Ky. 393; 161 SW 203). Commenting further, the Court said, "There is scarcely a business institution in the state of any magnitude that does not have its books examined by some skilled accountant, and there are many good reasons why the fiscal court should be permitted to exercise this character of supervision over the persons charged with the collection or expenditure of the public funds."

Where an official of the government is charged with the duty to "audit" a particular agency's records, the right of the agency to procure an audit of its records through the retention of independent public accountants would seem to depend upon questions of fact. An example of this approach is the opinion of the Supreme Court of Montana in the case of *Arnold v. Custer County*, decided in 1928 (269 P 402). After an exhaustive review of cases decided by state courts throughout the United States involving the powers of county governing bodies, the Court scrutinized closely the duties imposed upon a county official (in this case the county clerk) and found that the duties in question were ". . . impossible from a practical standpoint of performance by him . . ." since the laws of the state did not provide him with the necessary facilities.

In the case cited, the Court was presented by the parties with two alternative courses of action: the one taken by the county commissioners, which consisted of employment of an outside agent to do a necessary job, and one based upon the utilization of available services of the county clerk and his office—which clearly would have resulted in the job being left undone, under the facts in this case. The course of action followed by the fiscal court was upheld.

See next page

Continued from preceding page

Concluding its opinion, the Montana Court stated, "In the matter of implied powers of boards, when questioned, each case must depend largely upon the facts involved." Although the Court warned that, "their powers should be exercised cautiously," recognition was given to the implied power to accomplish necessary acts which must be granted to any agency of the government if it is to perform its legal duties and accomplish its purpose.

The opinion cited is harmonious with the Kentucky Court's decision in *Taylor v. Riney*. It is reasonable to assume that the decision of any agency's governing board to retain independent public accountants to audit records for which it was responsible would be upheld by the Kentucky courts if the required result could not be achieved, from a practical standpoint, by relying upon a government official charged with the duty to make such an audit.

CPA's-Finance Officers Study Town Problems

(Continued from Page 1)

3. Budgets can be more accurate and comprehensive if all tax collections for the year are made within the same operating year.

4. School boards usually close their year at June 30, since the cities act as collection agencies, the operating year of the two agencies would conform.

5. Audits and the resulting reports of audit can be obtained at a much earlier date and the cities would have a wider choice of auditor because accountants would not be overwhelmed with tax work as they are during the winter months.

CPA's who represented the Society at the May meeting were: Kercher, Holmes B. Hill, Lawrence Long, and Kenneth W. Stringer. Finance officers present were: D. W. Snyder, Ft. Thomas; Mr. Wale, Newport; and Charles M. Edwards, Danville, chairman of the Municipal League committee. Carl B. Wachs, secretary of the League, also attended the joint meeting.

ACTIVITIES OF MEMBERS

• WILLIAM COTTON, SAM W. ESKEW, AUSTIN GRESHAM, and J. H. DIERSEN have announced the dissolution of the firm of COTTON & ESKEW, Louisville. Three of the partners will continue their practice as a firm of Certified Public Accountants in the Kentucky Home Life Building, Louisville, and in the Bank of Commerce Building, Lexington, under the name of ESKEW, GRESHAM & DIERSEN. WILLIAM COTTON COMPANY, Certified Public Accountants, will be located in the Lincoln Bank Building, Louisville, with WILLIAM COTTON, HOLMES B. HILL, and T. H. DOWELL as partners.

• C. R. ESCOTT was the principal speaker at the annual meeting of the Tennessee Society of Certified Public Accountants, held at Chattanooga on August 26-27, 1949. Escott's subject was "How to Run a Public Accounting Office on Forty Hours Per Week, and Other Shop Talk."

• JAMES C. WARREN has been appointed a member of the Education Committee of the Louisville Area Development Association.

• ROY G. MOSHER has resigned from the Bureau of Internal Revenue and will leave Kentucky at the end of September. His new position is with Peat, Marwick & Mitchell, Certified Public Accountants, Chicago.

• Resignation of the following were accepted by the Board of Directors, with regret: Arthur W. Adams, Baylor Landrum, Harold I. Lippincott, J. T. Noland.

• The following were dropped from membership for non-payment of dues: Mary R. Fowler, W. R. Meredith, Jack E. Wert.

New Headquarters

Effective October 1, the office facilities shared by the Society and the State Board of Accountancy will operate from larger quarters at 727 Kentucky Home Life Building, the new location of Earle B. Fowler, attorney at law who represents each of the two organizations as executive secretary.