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Accountants' Library

EDITOR'S PREFACE.

THE object of the series of handbooks that is being published under heading of **THE ACCOUNTANTS' LIBRARY** is to provide, at a reasonable price, detailed information as to the most approved methods of keeping accounts in relation to all the leading classes of industry whose books call for more or less specialised treatment. No such series has hitherto been attempted; but there exist, of course, numerous separate works dealing with the accounts of one particular class of undertaking. These separate works are, however, for the most part either too expensive, or too superficial to answer the purpose that is particularly aimed at by **THE ACCOUNTANTS' LIBRARY**, which is intended to supply the student with that specialised information which he may require, while at the same time affording to the trader, banker, or manufacturer who is not in a position to secure the fullest information for his purpose, knowledge which can hardly fail to be of the very greatest assistance to him in the correct keeping of his accounts, upon a system specially adapted to his requirements, and therefore involving a minimum expenditure of labour. It is expected that the series will also be found of material assistance to bookkeepers of all classes.

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Without aiming at giving an exhaustive account of the manner in which each separate business is conducted, the technical points in connection with each industry will receive as much attention as is necessary in order fully to elucidate the system of accounts advocated, while each volume will be the work of one who has made that particular class of accounts more or less a speciality. It is obvious, however, that to enable the necessary ground to be covered in the space available, it is incumbent to assume upon the part of the reader a certain knowledge of general bookkeeping. The extent of the knowledge assumed will vary according to the nature of the class of accounts considered. For example, in the volumes on "Bank Accounts" and "Shipping Accounts," a thorough acquaintance with ordinary double-entry bookkeeping is not unnaturally assumed; but in the case, for instance, of "Auctioneers' Accounts," "Domestic Tradesmen's Accounts," and other similar volumes, such explanations are included as will enable the ordinarily intelligent reader fully to grasp the methods described, even although his knowledge of bookkeeping may be of an elementary description. These explanations are, doubtless, superfluous as far as accountants are concerned, but are necessary to make the volumes of value to the majority of those specially engaged in these particular industries.

To subscribers for the whole series it may be added that, when completed, it will form a most valuable and practically complete library, dealing, at the hands of specialists, with practically every class of accounts, and illustrating the application

of the theory of double-entry as described in general works on bookkeeping.

The first series (of twenty volumes) has already been completed, and particulars of the subjects dealt with will be found on p. i. A second series (which will comprise about thirty more volumes) is now in progress, which when issued will complete the scheme. Many of these have already been arranged for, but the Editor will be glad to receive suggestions and offers from accountants of experience for the undertaking of volumes not yet announced.

34 Moorgate Street,

London, E.C.

June 1903.



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INTRODUCTION.

THE title of the present volume comprises one of the most important subjects in the whole series.

The business of Fire and Life Companies alone has now increased to such enormous proportions, and the totals of the amounts covered by the policies every year in force, if only approximately arrived at, prove to be of such unprecedented magnitude that the uninitiated might very well be excused doubts as to transactions involving such gigantic sums of money being within the range of business possibility.

But the area of operations is by no means confined to these branches. Accident Insurance—which is, by comparison with the venerable antiquity of the foregoing, a new departure—has during the last few years increased by leaps and bounds, and is rapidly taking a place in the front rank as regards importance and popularity, if not in respect of the volume of business transacted. This branch includes Workmen's Compensation, Employers' Liability, Common Law, and Third Party risks, and covers casualties caused by horses, vehicles, motor-cars and cycles, lifts, hoists, cranes, hoardings, plant, &c., and a host of other innovations too numerous to detail; while its various departments are, again, sub-divided as regards variation in benefits given, and other matters, until divisions and sub-divisions, groups and sub-groups, appear to be endless.

Nor is this all. For, beyond what has been mentioned, exist facilities for insuring in respect of Burglary, Sickness, Plate Glass, Fidelity Guarantee; Horses, Cattle, and Live-stock; Boilers, Gas and Steam Engines, and Electrical Machinery and Plant (against explosion and breakdown); Registered Post, and