

*Account for Less than a Year.*

"A. C." explains that A and B were in partnership, and made up their accounts to April 30th in each year. B died in December, 1928, and C joined as a new partner with A as from January 1st, 1929. The new partnership is to be treated as a "continuing" practice. If no change in proprietorship had taken place the liability for 1929-30 would have been determined by the profits of the year to April 30th, 1928. In fact, two accounts were made up in 1928—the first for the year to April 30th and the second for the eight months to December 31st, 1928. The assessment for 1929-30 is being fixed on the amount of the profit for the eight months to December 31st, 1928, plus one-third of the profit for the twelve months to April 30th, 1928. The bulk of the firm's accounts are rendered in May and November, and the amounts received in June and December. Consequently, the last eight months of the calendar year contains the great bulk of the year's receipts, and the proposed basis is unfair to the individuals concerned. What can be done?

\* \* The Finance Act, 1926, Section 34 (1) (b) provides that if more accounts than one have been made up to dates within the year preceding the year of assessment, the Commissioners of Inland Revenue shall decide what period of twelve months shall be deemed to be the year for which profits are to be computed. The meaning is clear, and no right of appeal is given. Consequently, the decision to adopt the year to December 31st as the basis of computation must hold good—it is, in any case, the nearest approach possible to the year to April 5th, 1929—that is, the financial year preceding the year of assessment, and *prima facie* the year to December 31st will be adopted in future. It remains, however, to ascertain the true profit of that year, and the root difficulty—and the point at which the unfairness enters into "A. C.'s" case—is the application of the cash basis. If each of the two periods in question were computed on the basis of the bookings, less an allowance for probable bad debts, the trouble would be avoided. Unless C has bought a share in the former firm's debts, it seems probable that it will be necessary to discard the cash basis for the 1929 and future accounts; if so, and provided that the present hardship is a substantial one, perhaps the best way out of the difficulty is for the accounts to April 30th, 1928, and December 31st, 1928, to be restated on the "bookings" basis. Of course, neither B's executors nor A will be liable in addition to account for tax on cash collected for bookings prior to May 1st, 1927.

*Car Transactions.*

"E. G. S." bought a 10.9 h.p. car in 1926 for £215, and sold it in 1929 for £50, buying a 7.8 h.p. car for £154. He has not claimed depreciation.

\* \* The only claim he can make is to treat the actual out-of-pocket expense of replacement as a professional charge against the gross income of the year in which the exchange was effected—that is, to deduct £154-£50=£104, as an expense incurred in March, 1929. As the car is used 75 per cent. for professional and 25 per cent. for private purposes, the net deduction to be made will be £78. It would have been better for "E. G. S." if he had claimed depreciation.

"J. G. C." bought a car in February, 1925, for £180 and sold it in 1928 for £33, buying another car for £260. He was allowed a deduction for income tax purposes of £180-£35=£145. He has now bought a car for £299, receiving £125 for the older one. What is he entitled to deduct? No claim for "depreciation" has been made.

\* \* The amount of the renewal cost is £260-£125=£135, and only that sum can be deducted as an expense for tax purposes. The excess of the cost of the new car over the original cost of the car displaced (£299-£260=£39) represents improvement of the equipment, and is disallowed as capital expenditure. Depreciation and renewal expenditure cannot be claimed for the same year. If this year no renewal takes place we advise "J. G. C." to claim depreciation then; he will receive a part of the total allowance sooner than by waiting to claim renewals, and an obsolescence claim can be made simultaneously with depreciation, provided that the amount of depreciation allowed is deducted in calculating the obsolescence.

"D. A. L." inquires "whether depreciation can be included as a professional expense and at what rate," also "what constitutes professional running expenses."

\* \* The depreciation allowance is not strictly a professional expense, but is an additional deduction from the gross amount of the assessment to arrive at the amount on which tax is payable. Now that profits are no longer computed on a three years' average basis, however, the distinction is not of great importance. The usual rate of depreciation given appears to be 15 per cent., though 20 per cent. is sometimes allowed, perhaps where the "wear and tear"—which alone is the statutory reason for the allowance—is unusually heavy. Replacement expense cannot be

claimed as a deduction in computing liability for a year for which a depreciation allowance is claimed. Seeing that "D. A. L." replaced his car last year, we suggest that he should claim that cost as a professional expense in calculating his profits for 1929, and defer his depreciation claims until 1931-32 and future years.

## LETTERS, NOTES, ETC.

## TRAUMATIC PROPTOSIS IN A PEKINGESE DOG.

SURGEON REAR-ADMIRAL C. M. BEADNELL, R.N.(ret.), writes: On April 10th my two dogs, a Pekingese and an Airedale, had a difference of opinion, and before we could intervene the smaller dog had managed to get most of his head inside the mouth of the larger one. When we had separated them the Pekingese stood with his head to the ground, clawing frantically at his face and squealing loudly. It was then discovered that the right eye had completely proptosed and lay hanging at the top of the cheek. My wife held the dog's head while I, with a clean handkerchief rinsed out in fresh milk, seized the eyeball and applied a sudden, firm, equable, backward pressure over the socket. I felt the eyeball return into the orbit with a distinct jerk, caused probably by the superadded atmospheric pressure. The little patient protested vociferously, but the moment the eyeball was *in situ* he ceased crying out. For the rest of the afternoon he was somewhat depressed, but he ate a good dinner. For three days there was perceptible exophthalmos, due presumably to post-ocular extravasation, with conjunctival injection and an outward squint. During this period vision was also impaired on the injured side, for the dog cocked his head in looking at objects, so as to bring the sound eye into action. The only treatment was daily syringing with weak argyrol. Six days after the accident the eye was perfectly normal.

## THE CERVIX DURING COITUS.

DR. C. P. BLACKER, honorary medical secretary, Birth Control Investigation Committee, writes: The observation by Dr. Jay recorded in the *Journal* of August 10th, 1929 (p. 284), is so important that I would ask the following question: Is it quite certain that the portion of the sheath which had been torn away was fixed in the cervical canal and not in the upper portion of the vagina? The muscles of the pelvic floor form a sphincter round the vagina, and it is the spasmodic contraction of these muscles that is responsible for vaginismus. In the event of the orgasm of the man having preceded that of the woman, and of a spasm of these muscles having followed, the attempt to remove the sheath by the ordinary process of traction would result in the semen being caught up in a tight ball at the distal end of the sheath, which would be effectively locked in the upper portion of the vagina. It is not obvious how the muscular conformation of the uterus would allow of spontaneous cervical dilatation. The forced dilatation of the cervix, in response to the pressure of a foreign body in the cavity of the uterus, falls in a quite different category from the spontaneous dilatation of a sphincter muscle that is devoid of muscular attachments to surrounding bones (such as occurs in relation to the orbicularis oris).

## BRITISH-MADE INSTRUMENTS.

SIR JOHN CORCORAN, director of the National Union of Manufacturers, writes: May I ask for the hospitality of your columns to emphasize how desirable it is that our large voluntary hospitals should be equipped with British instruments? Although it may be taken for granted that the members of our hospital committees and the subscribers to hospital funds are patriotic men who appreciate the dire need of our home industries in the present conditions of unemployment, it is a lamentable fact that foreign surgical and electro-medical instruments, etc., are still to be found in many of our institutions. It is safe to say that in the majority of these cases the responsible authorities have no knowledge of the facts, as in too many instances in which foreign appliances are factored by British firms some pains are needed to elucidate the position. I trust, however, that once this matter has been ventilated our hospital committees will ask the firms who quote prices for their equipment to give full particulars in their tenders of the factories in which the work will be carried out, so that they can satisfy themselves that the goods they purchase are not only sold by British firms but are indisputably manufactured in this country. The leading British manufacturers can be trusted to produce the very best instruments, so that in the long run this should not involve any extra cost, and even if in some cases additional money has to be provided at the outset, the purchasers will have the satisfaction of knowing that by their patriotic action they are helping the classes on whom they depend for the maintenance of the institutions they administer so faithfully.

## VACANCIES.

NOTIFICATIONS of offices vacant in universities, medical colleges, and of vacant resident and other appointments at hospitals, will be found at pages 50, 51, 52, 53, 56, 57, and 58 of our advertisement columns, and advertisements as to partnerships, assistantships, and locum tenencies at pages 54 and 55.

A short summary of vacant posts notified in the advertisement column appears in the *Supplement* at page 207.