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Logging in Western Washington

BY WILHELM JENSEN

A logging company buys timberland—standing timber, cuts it down and into logs, and sells them.

The timber is first cruised by a timber cruiser who in his report to the owner states the approximate amount of each kind of timber on each section, the state of it, etc., etc. The cruiser carries a field book. (Schedule 1.) The buyer may accept this cruise, or he may have his own cruiser go over the land; the land may be sold for a lump sum, so much per acre, or so much per thousand feet logged.

If the land is close to a river, the skidroad process is employed; if too far, railroads are built. Quite often the process is a combination of both.

OPERATION

When the section is put under the axe, a camp is built in the most convenient place, a road is cleared through the heavy underbrush and skidroad or railroad is constructed. The cost of clearing should be spread over the section cleared. While the skidroad is an asset, it must be remembered it is absolutely worthless when the section tributary to it is exhausted, and, therefore, it must be depreciated heavily, on the same basis as the clearing. The same applies to the railroad; the main line should be depreciated against wear and tear and also against the exhaustion of the timber tributary to it. The branch lines should be depreciated to such an extent that they will be completely wiped out, so far as ties and labor are concerned, when the timber tributary to the branch is exhausted, and the steel should be depreciated against wear and tear. Indeed, some concerns charge the construction of branch lines immediately to operation as a cost. Hence, it is necessary to open accounts with main line; steel, main line; ties and labor, branch lines; steel, branch lines; ties and labor—one account of each with each branch.

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The company will operate several camps, independent of each other, except superintendence, and the main office is generally located in the city where the logs are mostly sold. The main office does all the buying and selling, and makes all the payments for labor and material bought.

The fallers work in pairs. The head faller directs the direction in which the tree must fall. When felled the bucker "bucks it up"—that is, saws it up into serviceable lengths, logs. These are branded with a certain mark, generally different for the various sections. This is done in order to be able to ascertain the ownership of the logs when they reach the destination, in company with perhaps twenty other brands belonging to other owners. The brand may—and should—be recorded with the county clerk and with all prospective buyers of logs in the locality.

Next the logs are hauled—by means of donkey engines over the skidroad, or by railroad—to the landing, where they are dumped into the river, or, perhaps, direct to the sawmill. If dumped into the river, a boom is necessary for the sorting. This is generally owned by an independent concern; it sorts and delivers the logs in rafts of from one to three hundred thousand feet. When the logs arrive at the sawmill, they are graded and measured by the owner and the buyer. The Spaulding table for measurement of logs has been adopted by the legislature of the state of Washington. Immediately upon ascertaining the content of the raft, the mill sends the owner—the logger—a credit memorandum for it.

CAMP RECORDS

These must be very simple, as they are being kept by foreman and timekeeper. Monthly reports should be furnished. Often they will be given by word of mouth; if so they should be recorded in writing at once over the foreman's signature. Following will serve as an illustration, but, of course, it must be made to fit the conditions.

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BLANK LOGGING COMPANY

Foreman's report for the month of....., 191.....
Camp No. Sec. Twp. Range Log brand

Falling and Bucking:

	Trees	Logs	Average	Feet
Fir				
Spruce				
Cedar				
Hemlock				
Total				

Rigging:

Hauled to Landing:

	Logs	Feet
Fir		
Spruce		
Cedar		
Hemlock		
Total		

Road (skid or rail)

Remarks

.....
Foreman

The record of labor should be kept in a timebook covering a month, as below. Besides the time worked, it gives information of meals and wanigan—merchandise—furnished the men.

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MONTHLY TIME BOOK

Name

Occupation

Rate per day

Date	Hours x denotes full day	Meals			Wanigan
		B	D	S	
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					

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The following to be figured by timekeeper and checked by bookkeeper at main office.

Total time worked	\$
Total meals	\$
Total wanigan	\$

When a man quits or is discharged he must go to the main office for his pay, and he is given a time-slip with record of time, etc., for the present month. The logger does not draw his pay every month, but only when he comes to town. The time-slip is sometimes used as a negotiable paper, a bad idea for various reasons. The following are time-slips, the latter one being of the negotiable variety:

	BLANK LOGGING COMPANY
Name
	has worked as
Date quit days @..... per day.
	Charge him with:
days' board @.....\$
	Wanigan \$
	Due him \$
	Foreman or Timekeeper
No.	No.....
	BLANK LOGGING COMPANY
Name	Pay to.....
	for days' work @..... \$
Labor \$	Less:
	Board \$
Less:	Wanigan \$
Board \$	Other charges \$
Wanigan \$	Due him \$
Total due Superintendent.

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Orders for merchandise for camp—repairs, food, wanigan—should be made out in duplicate and checked when goods arrive.

SYSTEM OF ACCOUNTS AT MAIN OFFICE

When timber is bought, it is charged to an account called "Standing timber on Sec., Twp., Range" From the cruiser's report we have ascertained the anticipated cut. Divide this into the cost, and we have the cost per unit of the "stumpage," as the raw material is called. Write the average cost at head of account for reference.

On the receipt of foreman's monthly report, charge the brand account, and credit the standing timber account with amount branded. Arrange account so that it will show amount of feet branded also. It is clear that balance of standing timber account will show the book value of timber standing. If account shows a credit balance, this would show that cruiser's estimate was low; while if there be a debit balance after all timber is cut and branded, it is evident that it was too high.

When all the timber is cut the standing timber account should be closed, carrying the balance to profit and loss as "gain resp. loss on stumpage." The denuded land is, perhaps of some value, but this was not considered in the purchase; however, a record of it should be kept, perhaps by opening a "one dollar" account called "logged-off land," with description. When sold, close the account, carrying the profit to profit and loss account. The proposition of selling logged-off land is not popular with the companies so long as there is logging going on in the neighborhood, because of the increased fire danger, the shutting off of access to water, the danger of logs damaging the waterfront belonging to the buying farmer, in which case the logger may be liable for damages, and for other reasons.

The necessary books will be:

- Ledger;
- Pay-roll;
- Log sales record;
- Cashbook;
- Journal;

the two latter may be combined in one cash-journal.

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Ledger: There will be few accounts receivable; if the accounts payable are numerous, it may be advisable to keep a controlled accounts payable ledger.

Pay-Roll: A separate book is kept for each camp; open controlling account in ledger for each: "pay-roll payable." Bound book, 17x14, columnized. Enter from time book monthly, and from time slips as they come in: cash from cashbook, other credits and other charges from the journal. For distribution of labor to suit conditions, if diverse, it may be advisable to have separate book.

Log Sales Record: Bound book 17x14. Logs are delivered to buyer through boom company which sends report when raft is delivered; enter number of report and name of buyer when report is received. When scaled and graded, buyer sends credit memorandum, deducting boom charges, which buyer pays. Fill in the entry when this credit memorandum is received, keeping a record of boom charges for reference. Enter in the ledger amount of feet when crediting the proper brands.

Cash-Journal: Bound book, 17x14. It may be divided into cashbook or cheque register and journal—columnized.

Closing: Owing to the extreme difficulty of taking inventory of the logs scattered perhaps over miles of difficult river front, it is deemed best to close the books only once a year, choosing the time when inventory is lightest. When inventory is taken, a complete statement, including operation, sales, profit and loss and a balance sheet should be prepared. Schedule 2 will serve as an illustration. Prepare similar statements for each camp, and a summary statement of them all.

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ACCOUNTS FOR BALANCE SHEET

ASSETS:

Current:

Petty cash;
Bank;
Accounts receivable;
Inventories:
 Logs in wood,
 Logs in water,
 Cook house,
 Wanigan;

Fixed:

Standing timber (subdivided)
Equipment (subdivided)
Camps (subdivided)
Skidroads (subdivided)
Railroads, main lines;
 " branch lines;
Office fixtures;

LIABILITIES:

Current:

Payroll payable;
Accounts payable;
Notes payable;

Fixed:

Bonds payable;

Proprietorship:

Reserves;
Capital stock;
Surplus.

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Schedule 1.

TIMBER CRUISER'S FIELD BOOK.

Sec. _____ Twp. _____ Range _____

Topographic sketch

Timber estimate

F			
S			
C			
H			
F			
S			
C			
H			
F			
S			
C			
H			
F			
S			
C			
H			

Total timber

Timber	Live stan'g	Dead stan'g	Down	Value per M.
Fir				
Spruce				
Cedar				
Hemlock				
	Num-ber	Ave. length	Ave. diam.	
Fir piles				
Cedar tel. poles				
R. R. ties				
Percentages of grades of logs				
	Fir	Spruce	Cedar	
No. 1. First class				
No. 2. M'ch'nt'ble				
No. 3. Culls				

Land value and grade

Sub-division	Grade	Value per A.
NE 1/4	NE 1/4	
NW 1/4	NE 1/4	
SW 1/4	NE 1/4	
SE 1/4	NE 1/4	
NE 1/4	NW 1/4	
NW 1/4	NW 1/4	
SW 1/4	NW 1/4	
SE 1/4	NW 1/4	
NE 1/4	SW 1/4	
NW 1/4	SW 1/4	
SW 1/4	SW 1/4	
SE 1/4	SW 1/4	
NE 1/4	SE 1/4	
NW 1/4	SE 1/4	
SW 1/4	SE 1/4	
SE 1/4	SE 1/4	

Grade:
Farming, No. 1
Grazing, No. 2
No value, No. 3

Remarks:

Full particulars as to improvements, occupants, indications of coal or other minerals or stone, water power, character of surface, or other information affecting the value of the land; also trespasses, if any.

Logging conditions:

Asst. Cruiser _____

Character of timber:

Compassman _____

Fir:

I CERTIFY that the foregoing report is correct.

Spruce:

Cedar:

Date _____

Hemlock:

_____ Cruiser

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PROFIT AND LOSS ACCOUNT

Gross profit as per summary.....		\$113,939 68
Cook house as per summary.....	\$1,144 14	
Wanigan as per summary		302 91
Landing, labor	2,217 20	
Depreciation, machinery and equipment.....	9,715 95	
Salaries	10,000 00	
Office expenses	2,527 50	
Sundry expenses	712 49	
Interest	6,000 00	
Balance, being net profit	81,925 31	
	114,242 59	114,242 59
	114,242 59	114,242 59

DISPOSITION OF NET PROFIT

Net profit, brought down.....		81,925 31
Reserve for redemption of bonds.....	10,000 00	
Dividends	30,000 00	
Balance, being unappropriated profits to surplus account.....	41,925 31	
	81,925 31	81,925 31
	81,925 31	81,925 31