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Book Reviews

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PHILANTHROPY FOR THE FUTURE, edited by ALFRED WILLIAMS
ANTHONY. Published by the *Federal Council of the Churches of Christ in
America*. 150 pages.

Philanthropy for the Future is a compilation of papers presented at the fourth
conference on financial and fiduciary matters held at Atlantic City, March
17–19, 1931. The only item of interest to accountancy as a profession is the
strong recommendation of the presiding officer, Lewis B. Franklin, that

> "Too much emphasis can not be placed upon the need of thorough and
> regular audit of a professional and unbiased character."

Otherwise most of the papers are concerned with methods of making drives for
funds, their custody and safeguarding, appraisals of charities and institutions as
to objects and usefulness, etc.—all of which are intensely practical and familiar
to those who are interested in philanthropic affairs.

Mark M. Jones leads off with a rather stupendous proposition to create
about fifteen or twenty regional foundations with perpetual funds. Seven
hundred and fifty millions are to be invested in buildings and equipment of
beneficiary institutions; and investment funds of not more than half a billion
for each foundation are to be raised and the income thereof to be distributed to
all institutions, charitable, religious and educational, in accordance with their
budget needs. Present endowments of individual institutions are to be
turned over to the foundations as far as possible and the system of endowing
particular institutions is to be discouraged. In effect it would be a develop-
ment on a large scale of the community-chest idea. It is all very neat and
compact, but it seems like a dream of a philanthropic millennium.

W. H. LAWTON.

ACCOUNTING PROBLEMS: INTERMEDIATE, by CHARLES F. RITTEN-
HOUSE and ATLEE L. PERCY. *McGraw-Hill Book Co., Inc.*, New York.
460 pages.

This second edition of *Accounting Problems: Intermediate* (the first was pub-
lished in 1922) is a vivid reminder of the progress and changes in business affairs
in the last ten years. Mass production, keener competition, elimination of
wasteful methods, extension of trade, have all had a profound effect upon manu-
facture and trade, and it is gratifying to reflect that the profession of
accountancy, both private and public, has had its share in improving methods of
recording and measuring that progress. Certainly no one can recall C. P. A.
examination questions of the period before the great war without noting the
higher standards required by those of to-day. Basic principles are the same, of
course, but the methods of applying them in practice have become, paradoxi-
cally, more complex yet more simplified.

This text-book by Messrs. Rittenhouse and Percy is strictly laboratory ma-
terial for the use of students who have mastered the elementary and much of
the higher accounting. The first ninety pages contain a series of financial state-
ments showing the highest standards as adopted by business organizations.
Their scope covers a wide variety of organizations and lines of business. Com-

ments and suggestions help the student to understand the significant and vital points that proper statements should disclose.

With these as models, the rest of the book consists of practical and theoretical problems to be worked out, taken mainly from examination papers of the American Institute and various C. P. A. examining boards. They are conveniently classified to enable instructor and student to proceed in an orderly and scientific manner.

With the knowledge and practical training offered in this excellent textbook students should be amply prepared for junior positions, and later able to take C. P. A. examinations with every confidence.

W. H. LAWTON.

PROBLEMS IN BUSINESS STATISTICS, by T. H. BROWN. *McGraw-Hill Book Co., Inc.*, New York, 1931. 500 pages.

The series of "Harvard Problem Books"—text books for students in the business departments of Harvard—grows longer. *Problems in Business Statistics* keeps up the high standard set by earlier books of the series.

As usual with Harvard business text books this is a "case book." Corporations and others have contributed of their experience so generously that the variety of applications of statistical methods available for and used by Professor Brown in these study cases is bewildering.

The uses of statistical information and graphs for business enterprises is pointed out, of course, but the failure of statistics to give invariably trustworthy guidance is not minimized nor is there any attempt to hide the fact that statistics may be honestly compiled from differing viewpoints with correspondingly differing results. Very frequently the student is confronted with two or more treatments of the same set of facts with differing bases of weighting and asked to choose between them, giving reasons for the choice.

Of the specific cases given (with the true names of the corporations involved) many are statements of experience to date with varying compilations of statistics—the ultimate value of them still to be determined. The student is asked to give an opinion as to probable future results and to make suggestions for improvement, if any occur to him.

After reading through a large part of the book it is noticed that not one passage has been met that made the reader conscious of the personality of the author. One finds no business slang; no cruel and unusual words; no poor English; such clarity of expression that a tedious subject is made easy to read. One reading, however, is like a half-day trip to New York—the sky line and the railway station are all that is clearly remembered. A year of study would be necessary to exhaust all that the book contains.

An appendix gives the sources from which may be obtained current data needed for statistical matter affected by the general business situation.

The modern student of business cycles, trends, statistics, etc., is to be congratulated upon the existence of this and similar Harvard business publications. There were no such advantages when his predecessors studied business administration.

F. W. THORNTON.

SIMPLIFIED MATHEMATICS FOR ACCOUNTANTS AND EXECU-
TIVES, by Harris D. Grant. *McGraw-Hill Book Co., Inc.*, New York,
1931. 329 pages.

Simplified Mathematics is not the work of a college professor of the academic
type but of a truly practical man, who has a thorough knowledge of his subject.
There is not a single algebraic or logarithmic formula to be found in the book,
and the author is not too stilted to advise the use of bond and interest tables
in the solution of the problems.

No doubt algebra may be used with a certain amount of success in the solu-
tion of some commercial problems, provided it be used by one who has a
comprehensive knowledge of it and provided also that he be so much in the
habit of using it in his daily life that his knowledge has not become rusty.
Executives who have acquired and preserved this facility in the use of algebra
are few; and, while there are many public and other accountants who have the
knowledge and practice, they usually have to communicate their results to
clients who do not understand algebra, distrust what they do not understand
and must be convinced of the correctness of the accountant's figures without
having recourse to it. Unfortunately most of those who rely upon algebra
have never taken the trouble to learn the processes whereby results, ordinarily
obtained by algebraic methods, may be obtained by simple arithmetic, most
easily with the aid of interest and bond tables.

This book fills exactly the needs of accountants who may have to make
involved computations and explain them without the use of algebra. There
is probably no commercial calculation that can not be made with reasonable
ease by methods given by Mr. Grant, often involving the use of interest
and bond tables.

Executives are seldom sufficiently industrious to study such a book as this;
if they do study it they will be well repaid. Accountants, public and other,
really ought to get this book and study it carefully—not merely buy it, put it in
the library and forget about it.

It is a worthy book; whatever one's business, however involved the computa-
tions it involves, this book will fit the case.

With a reviewer's usual nasty disposition, I have searched the work for
something at which to carp. All I can find to criticise is the fact that in the
effort to be concise the author is sometimes a little obscure.

F. W. Thornton.