

University of Mississippi

eGrove

---

Haskins and Sells Publications

Deloitte Collection

---

1918

## Helping to win the war Boston office

Anonymous

Follow this and additional works at: [https://egrove.olemiss.edu/dl\\_hs](https://egrove.olemiss.edu/dl_hs)



Part of the [Accounting Commons](#), and the [Taxation Commons](#)

---

### Recommended Citation

Haskins & Sells Bulletin, Vol. 01, no. 07 (1918 September 15), p. 57-58

This Article is brought to you for free and open access by the Deloitte Collection at eGrove. It has been accepted for inclusion in Haskins and Sells Publications by an authorized administrator of eGrove. For more information, please contact [egrove@olemiss.edu](mailto:egrove@olemiss.edu).

month or period the cashier who is short usually has little difficulty in obtaining and exhibiting to the auditor the amount which is needed to cover the shortage. Ways of circumventing this are admittedly difficult to find. One, and that which is the most effective, is to happen in at an unexpected moment between regular times and count the cash. Another way, which is equally effective where circumstances permit, is to count the cash at the beginning, and again at the end, of the engagement. Delaying the count with the statement that auditor does not wish to count the cash has been known to serve as a trap into which unwary cashiers have fallen. This is regarded in a somewhat unfavorable light as it puts the auditor in the position of making a false statement. Still it is argued by those who recommend it that if the cashier is found short by the auditor there arises an unfriendly situation in which a false statement or two makes little difference. Professional ethics, however, demand that the accountant keep truth on his side. If it is his intention to delay the count and he is questioned as to the matter, he may avoid it or give an answer to the question which will not commit him. The cashier will not as a rule show, even though he may feel, undue curiosity on the subject.

To deposit in the bank all the cash in hand thereby closing out the fund as suggested by some authors, seems to have little to recommend it as the cashier has only to wait until a check is drawn and a new fund created to abstract the amount he had previously put into the cash for the purpose of the count.

### Helping to Win the War

**C**OLONEL ARTHUR H. CARTER has the acquaintance of so many persons in our organization that we believe the following account of what the newspapers call his great achievement will be of interest.

Colonel Carter is Commandant of the Field Artillery Central Officers Training School at Camp Zachary Taylor, Louisville,

Kentucky. The first class, graduated August 17, 1918, numbered 1095. The graduating exercises were carried out with a snap and precision that is said to have surpassed that of the West Point cadets.

The baccalaureate address was delivered by Major General William J. Snow, Chief of the Field Artillery.

Colonel Carter addressed the class in the following scholarly and inspiring words:

"Gentlemen of the first and second battalions:

"Your military career as officers of the United States Army begins today. I hope that it will be as successful as your work has been here and that you will continue with the same energy, spirit and enthusiasm you have shown as candidates in this training school.

"You will assume new duties as commissioned officers and with them the corresponding responsibilities. You cannot fail to grasp the new duties and responsibilities with pride. Your future advancement as well as satisfaction will be achieved by constant study and observation with a view to perfecting your efficiency to the highest point.

"It is first of all an honor to serve your country as a commissioned officer in this great war. As a competent officer you will carry forward accurate and efficient preparations and training which are imperative in order that we can accomplish the mission given us by a people whose standards of living, freedom, justice, and honor demand a fitting end to this war.

"When you join your regiment you will be impressed with the opportunities afforded for a practical application of what you have learned during your course here. You will also be impressed with your lack of knowledge and experience. I strongly caution and advise you that your professional career as Field Artillery Officers demands your best efforts, willingness to learn, and careful preparation for the tasks ahead of you.

"As the first class to be graduated from this school you will set its standard in the

service. I believe that the imprint you leave will be one that reflects credit to those who have spent careful efforts in your preparation for the work to be assigned you."

*The Louisville Courier-Journal* of August 20, 1918, in commenting editorially on the occasion compliments Colonel Carter as follows:

"In making the Artillery School at Camp Zachary Taylor the only one in the United States and in arranging to graduate a class of officers every week for the duration of the war, the War Department paid Louisville and the camp a great compliment and reposed in them a very sacred trust. But in naming Lieut. Col. Carter as commandant of the school, the War Department puts its mark on him as the best artillery instructor in the United States, and that involves more than a sacred trust—it involves a responsibility great enough to make weak men recoil. Col. Carter has accepted the responsibility, and his first class is eager to prove that the War Department made no mistake in their 'prexy's' selection."

---

### Boston Office

The firm announces the opening, under date of August 15, 1918, of an office at 84 State Street (India Building), Boston, Massachusetts. Mr. R. K. Hyde has been appointed manager.

---

### Foreign Exchange (Continued)

#### DOLLAR LETTERS OF CREDIT

**B**RIEFLY, a Letter of Credit is written authority given to one party, usually a vendor, to draw drafts on a bank or banker for account of a third party. There are several classes and kinds of Letters of Credit, but where the drafts are to be drawn in dollars on an American bank, we have the Dollar Letter of Credit, which has become an instrument of importance in international trade almost overnight.

For example, take raw silk purchased in Japan for shipment to New York for the purpose of being manufactured in the mill

towns of New Jersey. The distance between New York and Japan is so far that it is difficult for the vendor to inform himself as to the credit standing of the importer or knowing once to keep his information up to date. There are many cases, of course, where the shipper abroad has absolute confidence in the importer and gladly sells on open account. Far oftener the importer is known abroad only in a general way, and according to custom, provides the seller with the guarantee of a bank in the form of a Letter of Credit.

The next question is as to the kind of a letter of credit which will be satisfactory. Must it be opened through a Japanese bank in yen or a London bank in sterling, or will one opened through a prominent New York bank in dollars be acceptable to the merchant in Japan? All this merchant really cares about is the price for which he will be able to sell his draft covering the value of the silk.

This brings up for consideration the discount market in the city on which the Letter of Credit is to be opened, because, after the draft has been accepted, it will probably be sold there as a bank acceptance. The amount which the local banker will pay our vendor in Japan will depend on the price for which he will be able to discount the draft in the city on which it is drawn.

London, for hundreds of years, has been the great commodity market of the world. There one will find a most complete equipment of docks, warehouses, auction rooms, and other conveniences for handling international commerce. Buyers have been compelled to go there and buy raw material from all over the world at retail, so to speak. London banks have prestige and the experience in buying and selling commercial bills which results from handling all this business successfully for a long period of time. London banks are in possession of a huge fund of capital from the accumulated profits of years of success and from the balances of banks and merchants all over the earth who have found it advan-