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and the methods of detection under the varying conditions, have eliminated the necessity of haphazard procedure.

The discussion of the detection of fraud led into consideration of the opportunity for the perpetration of fraud which is afforded by loose accounting system and office methods. All agreed that it is our manifest duty to our clients to point out to them any weaknesses in their system or methods as a step toward the prevention of fraud.

There was some discussion of the opportunities for usefulness to the practice offices afforded by the systems division of the technical procedure department, and consideration of means by which this division may be made more helpful. The point was stressed that the division had been handicapped in the dissemination of information among the practice offices by

the failure of the offices to supply information concerning their system installations.

Not the least pleasurable of the gatherings were the social features, consisting of a theatre party on Thursday evening and a dinner and dance on Friday evening at the Garden City Country Club.

The consensus of opinion, as far as can be learned, is that this year's meeting was an outstanding success, since the program was better balanced perhaps than in previous years, combining in the right proportions work and play.

Possibly the greatest value which these meetings have is the inspiration which comes from a gathering. Our annual meetings are always full of inspiration because every one contributes his share of action and enthusiasm in making the meetings successful.

Book Reviews

Stockwell, Herbert G. *How to Read a Financial Statement*. (New York, The Ronald Press Company, 1925. 443 p.).

The purpose of this book is stated as being "to show the business man, in a manner not too technical, how to ascertain the financial condition of a business from its financial statement in whatever form presented, or at least to judge whether or not the statement is a true and frank representation of the facts."

The book is limited to a discussion of the balance sheet. After a brief introduction concerning the various forms in which balance sheets may be prepared, the items of assets and liabilities composing a typical balance sheet are taken up in the order in which they usually appear. There is explanation as to what is comprehended under each item; the way in which it should be set forth in order most clearly to show the facts; and the things to be considered in determining its value with relation to the general financial condition of a concern.

Comparatively little matter is included

concerning statistical ratios and the comparison of balance sheets prepared at different dates.

The latter part of the book is devoted to a discussion of various special features, such as intangibles, different kinds of capital stocks, reserves, surplus, consolidated statements, etc.

The book is designed primarily as an aid to the business man with a limited knowledge of accounting rather than for the professional accountant. As such it fulfils its mission. It is very interestingly written.

Young, Benjamin Franklin. *Statistics as Applied in Business*. (New York, The Ronald Press Company, 1925. 639 p.).

With recent developments in business organization, some sort of statistical service for the use of executives has become essential to the success of an enterprise. The present work describes the procedure in building up and directing such a service, and presents the essentials of elementary statistical organization, in such a way that

their application to an individual concern may be readily grasped by practical business men, and as well by students of commerce preparing for a business career.

The book is divided into five parts. The first deals comprehensively with collecting or assembling business facts to be used in a program of statistics. The collection of data regarding personnel, finances, and operations is discussed, with respect to the compilation of historical facts, future estimates, and standard or normal facts, from both internal and external sources. After several preliminary chapters dealing with determining the scope of the facts to be developed in any particular case, there is discussion of the sources and methods available for use in compiling data. Part two concerns organizing and editing various types of basic records, which supply the raw material of a statistical organization.

In the third part the various ways of presenting statistical data are described. There are chapters on the textual, tabular, and graphic methods. This section of the book is profusely illustrated by numerous excellent tables, graphs, charts, maps, etc.

The analysis and interpretation of statistical data form the subject matter of part four. Obviously the collection of facts is of little value unless the facts are analyzed and evaluated in the light of a particular business. The matter on analysis comprehends a discussion of the classification of facts having like characteristics; the association of different groups of facts in orderly and significant manner; and the computation of percentages, ratios, averages, indexes, etc. The application of the results of statistical studies to the problems of a particular business is stressed.

Part five is devoted to various miscellaneous matters; mechanical aids in statistical work; the relation between statistics and accounting; and the organization of a statistical unit.

There are six appendixes, including a comprehensive glossary of statistical terms, a discussion of various technical formulas,

and a list of problems, arranged by chapters.

The text is very well written, and is in non-technical language. The development of the subject is logical and thorough. Bibliographies at the end of most of the chapters provide additional references for those interested in a particular phase of the subject. The numerous illustrations, particularly those showing graphs and charts, have been aptly selected. The book should prove highly instructive to those unfamiliar with the subject.

Recent Additions to the Library

The Accountants' Directory and Who's Who. Rita Perine Merritt, Editor. (New York, Prentice-Hall, Inc., 1925. 902 p.)

Anglo-American Year Book, 1925. (American Chamber of Commerce in London, 1925. 566 p.)

Bankers and Brokers Directory. (New York, Williams & Company, 1925. 718 p.)

Bell, William H. *Accountants' Reports*, second edition. (New York, The Ronald Press Company, 1925. 386 p.)

Brady, John Edson. *The Law of Forged and Altered Checks.* (New York, Brady Publishing Corporation, 1925. 528 p.)

Curtis, A. B., and Cooper, J. H. *Mathematics of Accounting.* (New York, Prentice-Hall, Inc., 1925. 397 p.)

Heermance, Edgar L. *Codes of Ethics.* (Burlington, Free Press Printing Company, 1924. 525 p.)

Holmes, George E., and Brewster, Kingman H. *Procedure and Practice Before the United States Board of Tax Appeals.* (Washington, John Byrne & Company, 1925. 225 p.)

Institute of Chartered Accountants in England and Wales. Directory. (London, Gee & Company, Ltd., 1925. 1255 p.)

Investment Bankers and Brokers of America. (Chicago, A. C. Babize, 1925. 787 p.)

Kilduff, Frederic W. *Inventory Practice and Material Control.* (New York, McGraw-Hill Book Company, Inc., 1925. 446 p.)