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## APPENDIX D

ESTIMATE OF FISCAL-YEAR  
TOTAL ASSETS FOR 1934

As already indicated in Section 18, the 1934 tabulation of fiscal-year balance-sheet returns gives no accounting items but merely the number of returns. In connection with Table 3 of Section 4, however, an estimate of the total assets for all fiscal-year balance-sheet returns was needed. This section explains that estimate. Table D-1 shows details of the estimate for the net-income category of the Manufacturing division. From *Statistics of Income* tabulations cited in Section 19, the figures of the first three columns of the table are obtainable. Division of the third column by the first yields average total assets for all returns, regardless of accounting period. To obtain the estimate of total assets for the fiscal-year returns of each size class, average total assets is multiplied by the second column, and the result is shown in the final column.

The All figure in the final column is not estimated directly from the All figures in the first three columns, but is the sum of the estimates. The reason is that the average total assets involved in such an estimate is probably not valid for the fiscal-year returns: the shape of the size distribution, as noted in Section 17, is such that the average total assets may not be highly typical. The situation is different for the specific size classes, except possibly the open-end class with lower limit of \$50 million. For each such size class, because of the limited boundaries, the average is fairly typical, and that average, as computed for all returns, can ordinarily be accepted as approximately valid for the fiscal-year returns. The major exceptions occur when the number of returns in a size class is very small, but even here the class average of total assets is probably more typical than the over-all average for all size classes combined.

TABLE D-1

ESTIMATE OF AGGREGATE TOTAL ASSETS IN EACH ASSETS SIZE CLASS  
AND FOR ALL SIZE CLASSES COMBINED, FOR FISCAL-YEAR  
RETURNS IN THE NET CATEGORY OF THE MANU-  
FACTURING DIVISION, 1934

(dollars in thousands)

Lower Limit of Size Class	Number of Returns		Total Assets	
	All	Fiscal- Year	All, Actual	Fiscal-Year, Estimated
0	12,097	1,997	275,286	45,445
50	5,615	1,055	405,219	76,136
100	6,348	1,154	1,020,093	185,442
250	3,500	760	1,243,998	270,125
500	2,384	546	1,667,157	381,824
1,000	2,401	513	5,073,436	1,083,995
5,000	356	81	2,495,612	567,822
10,000	316	59	6,307,941	1,177,748
50,000	73	13	10,446,973	1,860,420
All	33,090	6,178	28,935,715	5,648,957

The estimate must be carried out separately for the net and no-net categories because ordinarily, since the size distribution of no-net returns is more steeply J-shaped than that of net returns, the class averages for the no-net category run somewhat lower than those for the net category. The estimates from the no-net category size-class figures are shown in

Table D-2, and yield just under \$3 billion for all size classes combined. If we combine the All figures for the net and no-net categories, we have \$8,644,659,000 as the estimated total assets on all fiscal-year returns in Manufacturing in 1934.

The results of similar estimates for each division and group and all divisions combined appear in Table D-3. One might suggest that a more precise estimate for Manufacturing than the \$8,645 million could be obtained by combining the estimates of the thirteen manufacturing groups; this would yield \$8,817 million. Likewise, instead of the direct estimate of \$26,770 million for all divisions combined, one might add the specific estimates for the nine broad divisions, with or without the above adjustment in Manufacturing. The result would then be \$25,602 million with such adjustment, or \$25,430 million without. After consideration of various matters affecting these alternative estimates, I decided to use the direct estimate of \$26,770 million for Table 3 of Section 4.

TABLE D-2

ESTIMATE OF AGGREGATE TOTAL ASSETS IN EACH ASSETS SIZE CLASS AND FOR ALL SIZE CLASSES COMBINED, FOR FISCAL-YEAR RETURNS IN THE NO-NET CATEGORY OF THE MANUFACTURING DIVISION, 1934

(dollars in thousands)

Lower Limit of Size Class	Number of Returns		Total Assets	
	All	Fiscal- Year	All, Actual	Fiscal-Year, Estimated
0	31,454	5,032	536,710	85,863
50	6,837	1,176	486,073	83,607
100	6,675	1,147	1,057,978	181,798
250	3,163	614	1,108,967	215,272
500	1,951	392	1,367,034	274,668
1,000	1,808	363	3,729,624	748,813
5,000	254	41	1,761,284	284,302
10,000	211	38	4,376,524	788,189
50,000	55	2	9,162,730	333,190
All	52,408	8,805	23,586,924	2,995,702

TABLE D-3

## ESTIMATED AGGREGATE TOTAL ASSETS REPORTED ON FISCAL-YEAR RETURNS IN 1934, BY INDUSTRIAL DIVISIONS AND GROUPS

(thousands of dollars)

All divisions combined	26,770,346
Agriculture	390,402
Mining and quarrying	401,049
Manufacturing	8,644,659
Food	1,805,414
Beverages	185,449
Tobacco	12,523
Textiles	1,262,612
Leather	341,183
Rubber	243,117
Forest products	256,251
Paper	431,291
Printing	212,248
Chemicals	1,706,833
Stone	132,218
Metal	1,909,720
Other manufacturing	317,672
Construction	194,443
Public utilities	2,205,911
Trade	4,582,530
Service	1,521,215
Finance	7,482,647
Not allocable	7,442