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**THE MEASUREMENT OF CORPORATE  
SOURCES AND USES OF FUNDS**

DAVID MEISELMAN

ELI SHAPIRO

NATIONAL BUREAU OF  ECONOMIC RESEARCH

1964

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# Contents

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	PAGE
ACKNOWLEDGMENTS	xiii
SUMMARY	xv
1. INTRODUCTION AND SUMMARY OF FINDINGS	1
<i>Transactions</i>	4
<i>Coverage</i>	5
<i>Summary of Findings</i>	6
2. DESCRIPTION OF THE DATA	41
<i>Sources of Funds</i>	41
<i>Uses of Funds</i>	60
3. CRITIQUE OF THE DATA	81
<i>Comparison with Other Estimates</i>	95
<i>Revised Estimates</i>	104
<i>Recommendations</i>	109
APPENDIXES	113
A. DERIVATION OF ANNUAL FLOWS	113
B. DERIVATION OF QUARTERLY FLOWS	155
C. CORPORATE BALANCE SHEETS	191
D. DAWSON ESTIMATES OF CORPORATE BUSINESS SOURCES AND USES OF FUNDS STATEMENT, 1931-50	269



## Tables

---

	PAGE
1. All Corporations: Sources of Funds, Annually, 1950-55	6
2. All Corporations: Uses of Funds, Annually, 1950-55	7
3. Manufacturing Corporations: Sources of Funds, Annually, 1950-55	7
4. Manufacturing Corporations: Uses of Funds, Annually, 1950-55	8
5. Mining Corporations: Sources of Funds, Annually, 1950-55	8
6. Mining Corporations: Uses of Funds, Annually, 1950-55	9
7. Railroad Corporations: Sources of Funds, Annually, 1950-55	9
8. Railroad Corporations: Uses of Funds, Annually, 1950-55	10
9. Gas and Electric Corporations: Sources of Funds, Annually, 1950-55	10
10. Gas and Electric Corporations: Uses of Funds, Annually, 1950-55	11
11. Communications Corporations: Sources of Funds, Annually, 1950-55	11
12. Communications Corporations: Uses of Funds, Annually, 1950-55	12
13. Trade-Service Corporations: Sources of Funds, Annually, 1950-55	12
14. Trade-Service Corporations: Uses of Funds, Annually, 1950-55	13
15. All Corporations: Sources of Funds, Quarterly, 1953-55	14

*Tables*

	PAGE
16. All Corporations: Uses of Funds, Quarterly, 1953-55	15
17. Manufacturing Corporations: Sources of Funds, Quarterly, 1953-55	17
18. Manufacturing Corporations: Uses of Funds, Quarterly, 1953-55	19
19. Mining Corporations: Sources of Funds, Quarterly, 1953-55	21
20. Mining Corporations: Uses of Funds, Quarterly, 1953-55	23
21. Railroad Corporations: Sources of Funds, Quarterly, 1953-55	25
22. Railroad Corporations: Uses of Funds, Quarterly, 1953-55	27
23. Gas and Electric Corporations: Sources of Funds, Quarterly, 1953-55	29
24. Gas and Electric Corporations: Uses of Funds, Quarterly, 1953-55	31
25. Communications Corporations: Sources of Funds, Quarterly, 1953-55	33
26. Communications Corporations: Uses of Funds, Quarterly, 1953-55	35
27. Trade-Service Corporations: Sources of Funds, Quarterly, 1953-55	37
28. Trade-Service Corporations: Uses of Funds, Quarterly, 1953-55	39
29. Discrepancy, Annual and Quarterly Figures	94
30. Corporate Sources and Uses of Funds, 1950: Reconciliation Between Federal Reserve Board (FOF) and National Bureau of Economic Research	98
31. Comparison, Dawson and National Bureau, Corporate Sources and Uses of Funds, 1950	99
32. Comparison, Dawson and National Bureau, Manufacturing and Mining Corporations, Sources of Funds, 1950	100
33. Comparison, Dawson and National Bureau, Railroad Corporations, Sources of Funds, 1950	101

## *Tables*

	PAGE
34. Comparison, Dawson and National Bureau, Gas and Electric Corporations, Sources of Funds, 1950	102
35. Comparison, Dawson and National Bureau, Communications Corporations, Sources of Funds, 1950	103
36. Comparison, Dawson and National Bureau, Trade, Services, and Miscellaneous Corporations, Sources of Funds, 1950	104
37. Comparison of Preliminary 1955 Estimates with IRS-Based Estimates, Uses	105
38. Comparison of Preliminary 1955 Estimates with IRS-Based Estimates, Sources	106
39. Preliminary Estimates as a Percentage of Revised Estimates	107
40. Sources and Uses Items as a Percentage of Revised Total Sources and Uses	108
A-1-A-12. Derivation of Figures from Tables 1 Through 12	114
B-1-B-12. Derivation of Figures from Tables 15 Through 26	156
C-1a. Assets of Nonfinancial Corporations	192
C-1b. Liabilities of Nonfinancial Corporations	194
C-2a. Assets of Manufacturing Corporations	196
C-2b. Liabilities of Manufacturing Corporations	198
C-3a. Assets of Mining Corporations	200
C-3b. Liabilities of Mining Corporations	202
C-4a. Assets of Gas and Electric Corporations	204
C-4b. Liabilities of Gas and Electric Corporations	206
C-5a. Assets of Communications Corporations	208
C-5b. Liabilities of Communications Corporations	210
C-6a. Assets of Trade-Service Corporations	212
C-6b. Liabilities of Trade-Service Corporations	214
C-7a. Assets of Railroad Corporations (ICC)	216
C-7b. Liabilities of Railroad Corporations (ICC)	218

*Tables*

	PAGE
D-4. Gas and Electric Sources and Uses of Funds Statement, 1931-50	276
D-5. Communication Sources and Uses of Funds Statement, 1931-50	278
D-6. Trade, Service, and Miscellaneous Sources and Uses of Funds Statement, 1931-50	280

## *Tables*

	PAGE
C-8a-C-8n. Balance Sheet of All Corporations by Major Industry, 1945-58	220
C-9. Estimate of Currency and Deposits	248
C-10. Estimate of Federal Obligations	249
C-11. Estimate of Notes and Accounts Receivable, Net	250
C-12. Estimate of Inventories	251
C-13. Estimate of Other Investments	252
C-14. Estimate of Gross Capital Assets	253
C-15. Estimate of Reserves	254
C-16. Estimate of Other Assets, Except Current	255
C-17. Estimate of Total Payables, 1945-57	256
C-18. Estimate of Short-Term Bank Debt	257
C-19. Estimate of Long-Term Liabilities	258
C-20. Estimate of Common Stock	259
C-21. Estimate of Surplus: Discrepancy Excluded	260
C-22. Estimate of Long-Term Bank Debt (Original Maturity Basis)	262
C-23. Distribution of Corporate Bonds Outstanding, 1945-57	264
C-24. Consumer Credit	267
C-25. SEC Adjustment to IRS Notes, Bonds, and Mortgages More Than One Year, 1954-58	268
C-26. Mortgage Liability	268
D-1. Corporate Business Sources and Uses of Funds Statement, 1931-50	270
D-2. Manufacturing and Mining Sources and Uses of Funds Statement, 1931-50	272
D-3. Railroads Sources and Uses of Funds Statement, 1931-50	274

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DAVID MEISELMAN  
ELI SHAPIRO

## *Summary*

tion tables for the quarterly flows. The second set, called "supplementary" tables, is on file at the National Bureau of Economic Research. Appendix C contains the corporate balance sheets on an industry basis covering the years 1945-1958. Finally, the Dawson sources and uses estimates on an annual basis for the 1931-1950 period are presented in Appendix D.

The tables used to derive the flows report explicitly the procedure for estimating each line of the final summary tables and give abbreviated references to the sources of data employed. The supplementary tables contain additional data, references, and operations which could not be included conveniently in the paper.

The extensive detail underlying the summary tables found in Appendixes A and B is reproduced to make the accounts more useful to people interested in these data. Analysts need not accept the present form of the summary tables. They can reconstruct or regroup the data to fit their own purposes. The flows are presented on a gross basis wherever possible; those who prefer net flows can easily adjust the figures. It is hoped that publication of the detail will facilitate experimentation with the sources and uses data by others, thereby improving the quality of this information.

Use of the derivation and supplementary tables facilitates reproduction of both the annual and quarterly series and their extension beyond 1955. Given the current reporting lags of the federal government's statistical agencies which provide the bulk of the required data, these tables can be extended to a more nearly current basis with a lag of approximately six months.



## Summary

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The principal material included in this paper results from efforts to improve the data depicting the flow of funds through the corporate business sector. The tables which are reproduced constitute a statistical filing cabinet in which are recorded the sources and uses of corporate funds by major industry groupings. Annual data cover the six-year period, 1950 through 1955; quarterly data for the same industrial classifications are presented for the years 1953 through 1955.

The annual and quarterly sources and uses of funds statements are presented with identical detail on two levels of aggregation: all non-financial corporations reporting for tax purposes to the Internal Revenue Service; and industry categories consisting of (a) manufacturing, (b) mining, (c) gas and electric utilities, (d) railroads, (e) communications, and (f) the "residual" group composed of trade, service, credit agencies other than banks,<sup>1</sup> and miscellaneous corporations. Chapter I describes the rationale of the accounts, their transactions and coverage, and presents the summary accounts on an annual basis for 1950 through 1955 and on a quarterly basis from 1953 through 1955.

In Chapter II, the methods of deriving the estimates from sources of data are discussed in detail.

Chapter III is devoted to a critique of the accounts and an examination of discrepancies. The chapter closes with a comparison of NBER and other estimates, and a set of recommendations which, if adopted, would improve future estimates.

The underlying data and the operations performed on them are found in two supporting sets of tables. The first, called "derivation" tables, are presented in Appendixes A and B. Appendix A contains the derivation tables for the annual flows and Appendix B the deriva-

<sup>1</sup> This group constitutes an exception to the nonfinancial character of the companies covered.

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