

E. JOHN LARSEN, *Modern Advanced Accounting*, Tenth edition (New York, NY: McGraw-Hill/Irwin, 2006, pp. xvii, 830).

The Larsen textbook contains 19 chapters divided into five well-differentiated parts. While the textbook covers the advanced accounting's usually expected wide range of topics, the emphasis of this textbook is similar to many advanced accounting textbooks with its focus on Parts II and IV covering consolidations, and not-for-profit and governmental accounting, respectively.

The consolidation material contains examples that are carried forward as one moves through the chapters. This careful integration provides a continuity of presentation that enables students to better learn the newly introduced ideas. The author follows the same useful integration concept throughout the three governmental accounting chapters. Given that so much is different from the terminology and accounting principles learned in prior accounting courses, bundling the chapters permits referencing prior material to enhance understanding current material. If time does not permit covering all three chapters, the first chapter is limited to the general fund and can stand alone as an introduction.

The division into five parts facilitates the instructors who are interested in changing the order of their coverage of parts. It also facilitates completely skipping a part without putting the students at a disadvantage when studying any subsequent part.

The readability of advanced accounting textbooks is difficult for many students. This seems primarily a result of the inherent complexity of some material, such as consolidations, and the newness and difference of other material, such as governmental accounting.

The multiple-choice questions at the end of every chapter are generally sufficient for the instructor to gain insights into the student's overall comprehension of the chapter content. With the changes in the CPA examination format these are more important than previously. Thus, a few more in each chapter would be welcomed, especially those with numerical answer choices.

One weakness is the first chapter, the "ethics" chapter, which is only eight pages. It is really just about the codes of conduct of three professional organizations. There is no discussion about the various existing "schools of thought" on ethics and how they impact the definition of the available options and decision choices. It is the kind of "throw-away" chapter that can be ignored with no loss of ability to understand any subsequent chapter. The rest of the chapters do not contain any meaningful ethics materials unless some of the SEC Enforcement Actions references are included in the definition, and most of them only deal with unlawful acts. Some of the SEC references have been in several previous additions and perhaps should be updated or eliminated.

Yet, another weakness of the textbook is the test bank. The number of objective questions is too limited to provide the instructor with enough variability to avoid substantial repetition from term to term. The same can be said about the test bank's problem set for some of the chapters. This is particularly true for the Translation of Foreign Currency Financial Statements chapter. If the instructor wishes to repeatedly test on certain material that they view as very important to understand, in some chapters instructors may be forced to create their own examination questions. For some advanced accounting topics this is not an easy assignment.

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