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Book review

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There are some cases possibly in which the publication of quarterly financial statements might not be as advantageous as appears off-hand. Manufacturing concerns whose production is uneven might not be able to prepare truly informative statements on a quarterly basis. The case of a concern engaged in the manufacture of machinery and machine supplies is one in point. It makes small articles, in process only a short time, and worth only a few cents. It makes large units also, requiring in some cases more than a year for completion, and valued perhaps at a million dollars. A profit and loss statement for the quarter in which a large product was disposed of would appear abnormal when compared to a similar statement for the preceding quarter, and taken by itself might

be misleading. Over a period of a year, however, these discrepancies tend to offset each other.

Where this condition is not present, however, it is possible usually to prepare reliable financial statements quarterly. Many concerns, such as public utilities, could do so even monthly. Altogether the proposal has much to recommend it.

If corporate financial statements are to be given to the public four times a year instead of once or twice, they must be none the less complete and authentic. They must contain all essential information required by investors who contemplate the purchase of shares, or shareholders whose money is invested in the enterprise. And the public must be satisfied as to their correctness.

Book Review

Eigelberner, J. *The Investigation of Business Problems*. (Chicago and New York, A. W. Shaw Company, 1926. 335 p.)

During the last decade there has been considerable expansion in research work in the field of business. Many educational institutions have established research bureaus and several independent agencies have been created for purposes of economic research, while the number of business concerns maintaining their own research departments is constantly increasing. In order that such work may be carried on most effectually, it is highly desirable that those who are engaged in making investigations be properly fitted for the task.

The author of the present work has filled a need for an authoritative manual of investigational procedure, which might be used in training research men, through his discussion of the technique and procedure of investigating business problems. The procedure which he describes, being an adaptation of the scientific method applied to the solution of business problems, is de-

veloped from the point of view of an engineer. However, the author seems to be thoroughly acquainted with business conditions, and his method of presentation is along practical rather than technical lines. He has fulfilled well his two-fold purpose: first, "the fundamental intent to present a thorough analysis of the subject, one that is sound both from the standpoint of theory and practice;" second, "the purpose of developing a practical training in the art of investigation which will be of equal value to the business executive and to the research worker, both in the analysis and the solution of their problems."

The subject is treated in logical order, beginning with the preliminary analysis of the problem, followed by chapters on collecting, classifying, and tabulating the facts, and concluding with a discussion of the forming and establishing of conclusions and the preparation of reports. Inclusion of related matter from the fields of logic and psychology gives one the feeling that the subject has been presented in an unusually complete manner for a single

volume. A bibliography of selected references is available for those desiring more intensive reading at any point.

Although experience is essential to success in investigational work, Mr. Eigelberner's book will be found a useful guide to anyone aspiring to obtain effective results in the field of research.

European Development

JOHAN V. E. WESTFALL, widely known life insurance executive, has been appointed to take charge of our European organization. Dr. Westfall has tendered his resignation as vice-president of The Equitable Life Assurance Society of the United States, and will assume his new duties on November 1st, with headquarters in Berlin.

According to recent news articles, "Haskins & Sells have made steady progress in the development of their European practice since the establishment of their London office in 1901, and number among their clients the most important American companies having interests abroad. Their Paris office was established in 1920 and the Berlin office in 1924 immediately following the successful flotation of the German External Loan. The prospective interest of American capital in German industrial development, as well as local calls in Germany for professional audits, is greatly increasing the demand in that country for the services of certified public accountants."

In taking charge of our practice in Europe, Dr. Westfall is renewing affiliations formed when he began his business life, and is going also to a country where he received part of his formal education. Dr. Westfall was born in New York State, near Ithaca, and was graduated from Cornell University. He then spent more than three years studying in Germany in the Universities of Goetten and Leipzig. He received his Doctorate from the latter university in 1898.

Shortly after returning to this country, Dr. Westfall was employed by Haskins & Sells. A few years later, the Hon. Paul Morton, former secretary of the Navy, upon becoming president of The Equitable Life Assurance Society, asked Haskins & Sells to recommend a young statistician and accountant for life insurance research work. Dr. Westfall was appointed to the position in the Equitable in 1907. From this subordinate office Dr. Westfall rapidly rose in official position, becoming vice-president of the Equitable in February, 1922.

Manila Office

Announcement is made herewith of the opening of an office in Manila, Philippine Islands, and the appointment, as manager, of Mr. Vernon Thompson, formerly of the Los Angeles office.

News Items

Mr. W. H. Adams, assistant manager of our Cleveland office, has been admitted to membership in the American Institute of Accountants.

Mr. B. F. Hill, for a number of years a member of the Baltimore staff, has been appointed assistant manager of the Buffalo office, as of October 1, 1926.

Mr. W. J. Fronk has been appointed assistant manager of the Shanghai office, effective October 1, 1926.

Mr. J. W. Haines has been appointed assistant manager of our Philadelphia office, effective November 1, 1926.

Mr. C. C. I. Oehler, of the New York Broad Street staff, is to be congratulated on his recent attainment of the New York C. P. A. certificate, as a result of the May examinations.