RECEIVED

REPORT OF MR. R. E. REED RELATING TO AUDIT OF THE

ANACONDA SALES COMPANY - EAST CHICAGO, INDIANA

DECEMBER 31ST 1926

In April, 1926, the Anaconda Sales Company took over the sale of White Lead for the Anaconda Lead Products Company, and Zinc Oxide for the International Lead Refining Company, Anaconda Zinc Oxide Department, from Agency Stock Warehouses located outside of the State of Indiana.

A separate set of books was set up, as of September 1st 1926, as follows:

Cash Book
Journal
General Ledger
Customer's Ledger
Sales [illegible] - [illegible] Zinc Oxide
Sales [illegible] Lead Products

As sales are made, [illegible] Company purchases white lead and zinc oxide from the above departments [illegible] price. All discounts and other deductions allowed are charged back to the departments at the end of each month. The Anaconda Sales Company receive a handling charge of one-half of one percent on the gross sales. At the end of each month this amount is transferred to the New York Office. Collections on all sales made by the Anaconda Sales Company are made by the Sales Company. Any loss sustained on account of bad debts is to be stood by the Zinc Oxide Department.

PERIOD COVERED BY AUDIT:

| | | |
|---|---|---|
| Cash Audit | - | October 1st 1926 to November 30th 1926 |
| General Audit | - | Month of October 1926 |

TIME REQUIRED FOR AUDIT:

6 Days

BOOKS AND RECORDS CHECKED:

CASH BOOK:

| | | |
|---|---|---|
| Footings of cash book | - | October 1st 1926 to November 30th 1926 |
| Verified amounts of deposits as shown in cash book with New York reports | - | October 1st 1926 to November 30th 1926 |

BOOKS AND RECORDS CHECKED: Continued.

CASH BOOK: Continued.

Recapitulation of Cash Book, October 1st 1926 to November 30th 1926:

| | | |
|---|---|---|
| Cash on hand October 1st 1926 | | None |
| RECEIPTS: | | |
| Customer's Ledger, Anaconda Lead Products | $ 65,663.83 | |
| Customer's Ledger, Anaconda Zinc Oxide | 1,067.03 | $ 66,730.86 |
| DISBURSEMENTS: | | |
| Deposits to credit of Anaconda Copper Mining Co., New York City | $ 66,730.86 | 66,730.86 |
| Cash on hand November 30th 1926- | | $ None |

JOURNAL:

Examined journal entries and checked same to journal - Month of October 1926

GENERAL LEDGER:

| | |
|---|---|
| Postings from Cash Book | - Month of October 1926 |
| Postings from Journal | - Month of October 1926 |
| Footings of accounts | - September 1st 1926 to October 31st 1926 |
| Verified trial balance | - As of October 31st 1926 |

CUSTOMER'S LEDGER:

| | |
|---|---|
| Postings from Cash Book | - Month of October 1926 |
| Postings from Sales Record A.L.P. | - Month of October 1926 |
| Postings from Sales Record A.Z.O. | - Month of October 1926 |
| Footings of accounts | - As of October 31st 1926 |
| Verified trial balance | - As of October 31st 1926 |

SALES RECORD - Anaconda Lead Products:

| | |
|---|---|
| Invoices to Record | - Month of October 1926 |
| Footings of Record | - Month of October 1926 |
| Totals to Journal Entry | - Month of October 1926 |

SALES RECORD - Anaconda Zinc Oxide:

| | |
|---|---|
| Invoices to record | - Month of October 1926 |
| Footings of record | - Month of October 1926 |
| Totals to Journal Entry | - Month of October 1926 |

CREDIT MEMORANDUMS:

Examined credit memorandums and checked postings to customer's ledger - Month of October 1926

PNYC 00012056

ACCOUNTS RECEIVABLE:

Below is a detail of Accounts Receivable, past due, as of December 5th 1926:

| Name | Overdue December 5th Date | Days | Amount | | Not Due Date | Amount |
|---|---|---|---|---|---|---|
| Chas. H. Brown Paint Company, Brooklyn, N. Y. | 5-20-26 | 136 | $ 64.50 | Pd.12-11-26 | | |
| | 6- 4-26 | 121 | 64.50 | " | | |
| | 6-17-26 | 106 | 64.50 | " | | |
| | 7-20-26 | 75 | 64.50 | Pd.12-20-26 | | |
| | 8- 4-26 | 61 | 64.50 | " | | |
| | 7-31-26 | 66 | 64.50 | " | | |
| | 8-14-26 | 51 | 193.50 | " | | |
| | 8-26-26 | 40 | 64.50 | | | |
| | 10- 4-26 | 1 | 193.50 | | 10-22-26 | $ 64.50 |
| | 10- 4-26 | 1 | 64.50 | | 10- 6-26 | 64.50 |
| Frazier Paint Company, Detroit, Mich. | 6- 8-26 | 118 | 322.50 | | | |
| | 7-29-26 | 66 | 322.50 | | | |
| | 9-20-26 | 15 | 645.00 | | | |
| Garland Company, Cleveland, Ohio | 10-22-26 | 3 | 615.00 | | 11-11-26 | 307.50 |
| Ohio Varnish Company, Cleveland, Ohio | 8- 6-26 | 59 | 615.00 | | 10- 6-26 | 2,583.00 |
| | 8-17-26 | 48 | 615.00 | | 10- 8-26 | 615.00 |
| | 8-24-26 | 41 | 307.50 | | | |
| | 8-25-26 | 40 | 307.50 | | | |
| | 9- 2-26 | 33 | 2,091.00 | | | |
| | 9- 2-26 | 33 | 615.00 | | | |
| | 9- 8-26 | 27 | 615.00 | | | |
| | 9-17-26 | 18 | 1,291.50 | | | |
| Mutual Paint Company, St. Paul, Minn. | 9-18-26 | 20 | 65.25 | | | |
| Porter Paint Company, Louisville, Ky. | 9-21-26 | 14 | 64.50 | | 10-15-26 | 64.50 |
| | | | | | 11- 2-26 | 64.50 |
| | | | | | 11-24-26 | 61.50 |
| Reliable Paint Company, Louisville, Ky. | 10- 1-26 | 5 | 322.50 | | | |
| Rower Biene Paint Mfg.Co., St. Louis, Mo. | 9- 1-26 | 34 | 129.00 | | | |
| St. Louis Surfacer and Paint Co., St. Louis, Mo. | 8- 9-26 | 56 | 322.50 | | 11-19-26 | 307.50 |
| | 8-13-26 | 52 | 645.00 | | 10-28-26 | 322.50 |
| | 9-11-26 | 24 | 322.50 | | | |
| | 9- 9-26 | 22 | 322.50 | | | |
| | 10- 1-26 | 1 | 322.50 | | | |
| Standard Paint Company, Minneapolis, Minn. | 8- 5-26 | 60 | 65.25 | | 10-11-26 | 65.25 |
| | 8-12-26 | 53 | 65.25 | | 10-29-26 | 65.25 |
| | 8-312-6 | 35 | 65.25 | | | |
| | 9-212-6 | 14 | 65.25 | | | |
| | 10- 1-26 | 4 | 65.25 | | | |
| University Paint & Color Co., Long Island, N.Y. | 9-25-26 | 10 | 129.00 | | 10-15-26 | 193.50 |
| | | | | | 11-16-26 | 129.00 |

All past due accounts are considered collectible.

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