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morning before I would take it over. Then it tells tips delivered from Mr. Quinn's report.

Now on the right side you will notice this entry, "Better grades, gross, net." From this small sheet we get total of better grades 710, gross. Then right below it says 700 gross net. There were 710 gross, and on that repacked sheet I called out there 10 gross good goods repacked, therefore the difference of 10 gross. Then we look on down this pencil sheet, cut down each and every one of the items accordingly--you will notice in some places I marked some items, "142 1/2 2-10-X"--and so on down the sheet, in this case there were 29 or 30 different items, all of which had to have the prices correctly traced down, extensions correctly made, checked, re-checked, added up, and totaled, and checked back, and the re-pack had to be deducted, after which the 12% had to be figured out, and deducted, giving the net value of the production for that week. Then we take the net value of the production that week, and from it take the total amount of expense, and materials used, the expense including labor, rent, lights, insurance, and so forth, and, if this expense is greater than the value of the pencils, which we made that week, then the factory has operated that week at a loss. In this case a deficit above, showing that that week we operated at a loss. The shipments were gotten off down there from this sheet. Those are my initials up on the top.

(Deft's Ex. 11)

Now, besides the making of this large sheet here proper, there is in the making of the financial report three other sheets, (Deft's Ex. 11), that I usually make out. Now one of those little sheets, that are usually made--and I want to call your attention to the fact that I didn't typewrite this, that