

Amount of deposits at the various branches of the Freedman's Savings and Trust Company.

Branches.	Deposits.	Branches.	Deposits.
Alexandria, Va.....	\$21,584	Montgomery, Ala.....	\$29,743
Atlanta, Ga.....	28,404	Natchez, Miss.....	22,195
Augusta, Ga.....	96,882	Nashville, Tenn.....	78,525
Baltimore, Md.....	303,947	New Berne, N. C.....	40,621
Beaufort, S. C.....	65,592	New Orleans, La.....	240,006
Charleston, S. C.....	255,345	New York, N. Y.....	344,071
Columbus, Miss.....	18,857	Norfolk, Va.....	126,337
Columbia, Tenn.....	19,823	Philadelphia, Pa.....	84,657
Huntsville, Ala.....	35,963	Raleigh, N. C.....	26,703
Jacksonville, Fla.....	22,022	Richmond, Va.....	166,000
Lexington, Ky.....	34,193	Savannah, Ga.....	153,425
Little Rock, Ark.....	17,728	Shreveport, La.....	30,312
Louisville, Ky.....	137,094	Saint Louis, Mo.....	58,397
Lynchburgh, Va.....	19,967	Tallahassee, Fla.....	40,207
Macon, Ga.....	54,342	Vicksburgh, Miss.....	104,348
Memphis, Tenn.....	96,755	Washington, D. C.....	384,789
Mobile, Ala.....	95,144	Wilmington, N. C.....	45,223
			3,299,201

WASHINGTON, D. C., February 14, 1874.

DEAR SIR: A careful examination of the Washington branch of the Freedman's Savings and Trust Company has developed the following results:

The amount due depositors at this branch on the a. m. of January 29, 1874,	
as per the general ledger, was.....	\$384,099 00
My trial-balance of the deposit-ledgers shows the amount	
due depositors to be.....	\$450,753 97
Less overdrafts.....	20,859 29
	<u>429,894 68</u>
Excess of balances over general ledger.....	45,795 68

The above discrepancy I believe to be entirely the result of gross carelessness in the keeping of the ledgers. Many of the accounts are undoubtedly duplicated, having been transferred to other ledgers without being closed out in the original account; thus in taking off balances two or more accounts would appear to be open, and one depositor would be represented by two or three balances on the balance-sheet. There has been an entire omission to secure the correctness of debit and credit entries by checking off with the respective books when posting, and I find that deposits and drafts have been made by dealers, and the amounts not posted to their accounts in the ledgers until several months afterward, and the errors were only discovered on the presentation of pass-books. Under such a system it is impossible to prove the books, save by checking back all the entries to the opening of the branch or calling in the pass-books. Either would be a labor of months, but one or the other should be done. In some instances debits have been posted as credits, and credits as debits. With the assistance of the clerk who was deemed most competent to discover and reject duplicated accounts, I very carefully revised the balance-sheet, and was thus enabled to reduce the difference about \$7,000. There appear to be nearly six thousand accounts, running through eleven ledgers, and no ordinary memory could pick out more than a few of the duplicates. The overdrafts were mostly temporary, excepting some old ones dating back for several years. Mr. Stickney says that the actual loss on the overdrafts will not exceed \$5,000.

I would repeat, most emphatically, my suggestion of last year, that all the accounts be transferred from the old ledgers and properly indexed, which, with a proper system of checking the ledger-entries, rigidly enforced, and trial-balances taken off at least quarterly, would enable them to steer clear of such discrepancies in the future, and make a less discreditable showing. I cannot find any improvement as far as the branch book-keeping is concerned, the result showing a difference in balances twice that of one year ago.

I append a statement of the condition of the branch on the a. m. of January 29. The