

## CANADA'S TEXTILE MANUFACTURERS

## Dominion Textile Company's Annual Report—Two Years' Results Compared—Extent of Operations

The annual reports of the various cotton companies, in which Montreal is more particularly interested, have now been presented, the last of these reports being that of the Dominion Textile Company, Limited, the annual meeting of which took place on the 26th inst. The report bore out the excellent showing made by the other cotton companies, the reports of which have already been presented.

It is generally accepted in commercial circles that the industrial condition of the country is most accurately reflected in the earnings of the iron and steel and textile manufacturing companies. Further reference to the iron and steel companies is unnecessary at the moment. So far as the textile companies are concerned, the results add their testimony to the generally accepted claim that the year 1912 surpassed all previous years in industrial activity within the Dominion of Canada.

It is only a few weeks since the Canadian Cottons, Limited, issued its statement, the earnings of the concern being greater than in any previous year. The Dominion Textile Company now reports a similar condition of affairs.

## Changes Shown in Comparative Statement.

Following are some of the figures extracted from the financial statement for the year ending March 31st, last, together with the increases or decreases in the different items as compared with the corresponding items of the previous year:

The appended statement shows in concise form where the increases or decreases occurred in the various items as compared with the corresponding items of the previous year. As a matter of fact, there was only one decrease either in receipts or charges, this being of \$15,000 in the rent and interest account paid the Merchants' Cotton Company.

## Changes in Dividend.

The amount of preferred stock issued is \$1,911,000, that of common stock being \$5,000,000. It will be seen, therefore, that the earnings remaining for the payment of dividends after the various appropriations had been made and the fixed charges met was the equivalent of almost 30 per cent. on the amount of preferred stock issued. After the preferred dividend had been paid, the amount remaining for the payment of common dividend was at the rate of 8½ per cent. The surplus carried forward after all the charges and dividends of the year had been met was the equivalent of practically 3 per cent. on the common stock of the company. This would mean that the amount paid out in dividends would be 5½ per cent. for the year. It will be recalled that the dividend on Dominion Textile for many years was at the rate of 5 per cent. per annum, but that not long since it was increased to 6 per cent. As a matter of fact, the dividend during the first half of the past year was paid at the old rate and during the second half of the year at the new rate, making the rate paid out for the total year, 5½ per cent.

Manufacturing profits .....  
Dividend Dominion Cotton Company .....  
Dividend Merchants Cotton Company .....

Total income .....  
Rent and interest Dominion Cotton Co. ....  
Rent and interest Merchants Cotton Co. ....  
Rent Mount Royal Co. ....

Bad debt account .....

Net .....  
Interest on Dominion Textile bonds .....  
Interest on Montmorency bonds .....

Remaining for dividends .....  
Preferred dividends .....

Remaining for common dividends .....  
Common dividends .....

Surplus for year, forwarded .....  
Brought forward 1st April, 1912 .....

Total profit and loss surplus .....

It will be observed that the company now has a surplus at the credit of profit and loss of practically \$800,000, or the equivalent of about \$16 per share of common stock issued. If this were deducted from the recent selling price of the stock, it would leave a price of about \$60 a share, without the surplus.

The manner in which the surplus earnings for the various years has increased during the past few years, together with the total surplus, is shown in the following table:

Year.	Year's surplus.	Total surplus.
1908-09 . . . . .	\$ 8,934	\$457,173
1909-10 . . . . .	35,732	492,905
1910-11 . . . . .	37,105	530,011
1911-12 . . . . .	100,225	630,235
1912-13 . . . . .	149,723	779,959

In the statement of assets and liabilities appear the following items:—

	March 31, 1912.	March 31, 1913.
Raw cotton . . . . .	\$1,053,609	\$ 753,252
Goods in process of manufacture..	1,548,570	901,490
Cash . . . . .	22,778	24,177
Accounts receivable . . . . .	1,740,942	2,053,853
Supplies . . . . .	292,154	295,082

Land, buildings, machinery, etc., are taken at \$10,564,384, which is an increase of more than \$500,000 for the year. Total quick assets amount to \$4,070,854, as against \$5,035,306 a year ago.

## Liabilities and Operations.

On the side of the liabilities, the following are some of the comparisons:—

	March 31, 1912.	March 31, 1913.
Loans, commercial . . . . .	\$2,544,362	\$1,817,046
Loans, special . . . . .	912,188	673,163
Open accounts . . . . .	241,038	294,938
Deposits . . . . .	61,386	114,781

Altogether the quick liabilities amount to \$3,256,479, as against \$3,916,051 a year ago.

Sales for the year amounted to \$9,824,101, this comparing with \$9,038,463 the previous year, being an increase of \$785,638.

At the present time the company is operating 10,237 looms, 459,786 spindles and employs over 7,500 hands. These figures compare with 9,335 looms, 427,533 spindles and 7,500 hands. The wage bill was \$350,000 more than paid three years ago.

During the past year a new mill has been erected at Magog, adjoining the present cotton mill, and 500 additional looms have been installed in it. This addition to the plant is required for manufacturing grey cloths for use in the print works, owing to the increased demand now experienced for printed goods. The power to operate the machinery in this new addition is supplied by the electric power plant erected recently and owned by the town of Magog. Extensions also took place at the Mount Royal mill and the St. Ann's mills. All the Merchants Cotton shares have now been turned in and the "B" bonds become first mortgage bonds.

Year ended March 31, 1913.	Inc.	Comparisons with previous year.
\$1,230,706	Inc.	\$ 80
\$ 68,540	Inc.	80
51,884	Inc.	80
120,424	Inc.	80
\$1,351,130	Inc.	\$ 93,232
\$359,110	Inc.	\$13,935
42,325	Dec.	15,774
165,000	Inc.	11,570
\$566,435	Inc.	\$ 9,731
12,290	Inc.	6,961
578,725	Inc.	\$ 16,692
\$ 772,405	Inc.	\$ 76,540
189,286	Inc.	\$ 1,131
27,000	Inc.	1,131
216,286	Inc.	\$ 1,131
\$ 556,110	Inc.	\$ 75,409
131,396	Inc.	911
\$ 424,723	Inc.	\$ 74,498
275,000	Inc.	25,000
\$ 140,723	Inc.	\$ 49,498
630,236	Inc.	100,225
\$ 779,959	Inc.	\$149,723