

LAKE OF THE WOODS MILLING COMPANY, LIMITED

The annual meeting of the Lake of the Woods Milling Company for the year ended August 31st, 1918, according to the financial statement published on another page, shows net profits of \$716,616, as compared with \$857,914 for the preceding year, a decline of \$101,298, but \$186,869 in excess of that for the year ended 31st August, 1917.

The President of the Company, General F. S. Meighen, made the following remarks: In moving the adoption of the report, I may be permitted to make a few remarks regarding the prospects for the coming year. Last year was an excellent one for the company, as both domestic and export business were good. From present indications the export side will not be as good this year, and we will have to depend largely upon our domestic trade. This is excellent at present and we are taking every possible means to develop and extend it. I feel optimistic, however, as I believe that there will be a general increase in activity in the work of reconstruction and production. I expect, therefore, that every month will see a gradual return to more normal conditions of trade. I think there is no reason to fear for the future prospects of your company.

In view of the faithful and efficient services of the employees of the Company, and to aid them through the present difficult conditions of living, your Directors have given the employees a bonus amounting to 10 per cent. on their salaries, and I feel certain that this action will meet with your approval.

I am also glad to be able to tell you that every returned soldier who went overseas from this company, and who was not permanently incapacitated, is back in the employment of the company, and we find that their experience overseas has made them, generally speaking, more efficient and valuable to the company. These men number 230.

Milling profits for the year, restricted as they were by governmental regulations, however, made a good showing, as compared with those of the previous twelve months, being shown in the statement at \$547,152, against \$601,520, a falling off of but \$54,368, the profits from other sources from which are deducted war taxes, accounting for the balance of the decline of \$46,931.

After deducting bond interest and preferred dividend payments, aggregating \$159,000, are unchanged from recent years, there remained for disbursement among the holders of the company's junior securities the sum of \$597,616, equal to 28.45 per cent., compared with 33.29 last year and 19.5 per cent. in the preceding twelve months.

After the payment of dividends on the common stock at the rate of 10 per cent. per annum, to-

gether with a bonus of 2 per cent. and an additional dividend of 2 per cent. from the earnings of the Sunset subsidiary, there remained a balance of \$303,616, compared with \$446,914 last year, and \$242,747 the preceding one. From this balance was written off the usual sum of \$100,000 from property and goodwill accounts, leaving the sum of \$203,616 to add to surplus account, bringing up the latter fund, after the regular appropriation of \$200,000 for bond redemption account was made, to \$982,414, or rather less than \$4,000 more than at the close of the company's fiscal year in 1918.

The profit and loss accounts of the three years are compared in the following table:

| Profits: | 1919. | 1918. | 1917. |
|------------------|-------------|-------------|-------------|
| Milling... .. | \$547,152 | \$601,520 | |
| Other... .. | 209,463 | 256,394 | |
| Total prof. | \$756,616 | \$857,914 | \$569,747 |
| Bond int. | 54,000 | 54,000 | 54,000 |
| Balance | \$702,616 | \$803,914 | \$515,747 |
| Pfd. divs. | 105,000 | 105,000 | 105,000 |
| Balance | \$597,616 | \$698,914 | \$410,747 |
| Div. and bonus.. | 294,000 | 252,000 | 168,000 |
| Balance | \$303,616 | \$446,914 | \$242,747 |
| Writ. off | 100,000 | 100,000 | 100,000 |
| Year's surp. ... | \$203,616 | \$346,914 | \$142,747 |
| Prev. bal. | 978,797 | 831,883 | 889,135 |
| Surplus... .. | \$1,182,414 | \$1,178,797 | \$1,031,893 |
| Bd. redemp. | 200,000 | 200,000 | 200,000 |
| Tot. surp. | \$982,414 | \$978,797 | \$831,893 |

Two new directors, R. W. Reford, of this city, and W. R. Allan, of Winnipeg, were added to the board of directors, thus filling out the complement. The other directors were elected without change in the personnel.

A special meeting of the shareholders was held at the conclusion of the annual gathering and approval was given to the proposal to increase the capital stock of the company, the necessary legal steps to accomplish which will be taken at an early date. No announcement of the executive's plans in this respect was given out for publication.

Returned Soldier as Life Agent.—No, I don't want any insurance! Didn't you see "No admittance" on the door? Agent: Sure, I did! the Germans had "no admittance" written in barbed wire and bullets outside their trenches, but we got in just the same.—Exchange.