INVESTMENTS AND THE MARKET

News and Notes of Active Companies—Their Financing, Operations, Developments, Extensions, Dividends and Future Plans

Peterson Lake Mining Co.—Shareholders of the company met this week to consider the directorate proposal to make an issue of 100,000 preferred shares at par in order to raise funds for further development. The new issue was unanimously agreed to.

Loew's Theatres, Ltd.—Loew's Theatres have purchased a site for a theatre in London, Ont., and will shortly commence the building of a theatre to cost some $300,000. To provide funds for the erection of the building, the company intends to shortly make an issue of stock.

Winnipeg Electric Railway.—The Winnipeg Electric Railway earnings last year showed an increase of $174,633, according to the report submitted to the city finance committee. The company's gross revenue for the year 1918 was $2,163,389, as compared with $1,988,756 for 1917. As its share of last year's revenue the city will receive $114,509.

Consolidated Mining and Smelting Co.—The management of the company announces that the recent offering of $3,000,000 in bonds has been fully subscribed by the shareholders. These debenture bonds bear interest at the rate of 7 per cent. per annum, and were offered pro rata in proportion to the number of shares held. The holders after January 1st, 1924, have the privilege of converting the bonds into stock of the company par for par. The company will now be able to proceed with the extension of the power development of its subsidiary, the West Kootenay Power and Light Co., Ltd., and with the increase of the capacity of its copper refinery from 20 to 50 tons per day, projects which it is estimated will involve an expenditure of $1,500,000.

Canadian Car and Foundry Co., Ltd.—A feature of the annual meeting of shareholders was a statement from President Curry in which the estimate was made that after deducting all liabilities the net equity in the company's assets against outstanding stock amounted to over $19,000,000. That would equal $180 a share on the preferred stock and $120 a share on the common stock. The Senator explained that war conditions had necessitated very large working capital to provide for enormous inventories. Conditions, he believed, would have changed so radically in the next six months that the company should have a cash surplus sufficient to pay off back dividends on the preferred and leave ample working capital.

The following are the directors for the year: Senator Curry, formerly president, becomes chairman of the board of directors, with W. W. Butler, formerly a vice-president and managing director, succeeding to the presidency. J. Frater Taylor of the Lake Superior Corporation, comes into the company as a vice-president, in charge of finances, while R. H. Parks is named a vice-president in charge of all the plants. An executive committee made up of W. F. Angus, H. W. Beauclerc, Senator C. P. Beaubien, K. W. Blackwell and Mark Workman was named.

Twin City Rapid Transit Co.—President Lowry, of the company, in his report to shareholders regarding the operations of the past year, says:—

"The management has made every effort to increase revenue through advance in fares, but so far, without success, people being too much absorbed in the war and its results to give thought to the public necessity of helping maintain the service of their urban transportation system, and not realizing that without increase in revenue during the period of war prices the company could not continue to maintain the system and service at its pre-war standard.

"Failing to secure relief through increase in revenue, it has been necessary to put into effect every possible economy in operation, and efforts of the management in that direction are reflected in the operating statement.

"The management will continue to make every possible effort to obtain increase in revenue, and it is hopeful of success when the public realizes additional revenue is absolutely necessary to enable the company to meet reasonable demands for service and extensions.

"During the year a contract was entered into providing for the opening of a coal mine in Illinois, from which we obtained our supply of steam coal at the cost of production, which is much below prevailing market price, but even at this price our coal costs nearly double the amount paid in pre-war times."

Belding-Paul-Corticelli, Ltd.—Gross profits at $278,731 and net profits at $189,478, as reported for the year ended November 30th, 1918, represent the best showing in the history of the company. Net of $189,478, arrived at after deductions for interest, sinking fund, depreciation and writing, totalling $89,253, represented earnings at the rate of 21.9 per cent. on the preferred stock, and after allowance for a year's dividend on the preferred the balance would have equalled 17.2 per cent. on the common. This showing compares with 16.5 per cent. earned on the preferred in 1917, previously the company's best year, and 10.9 per cent. on the common. The company again paid two years' dividends on the preferred within the 12 months, reducing arrears to 10½ per cent., against 24½ per cent. two years ago.

After setting aside $30,000 to reserves, including a $25,000 appropriation for a special renewal reserve, profit and loss balance at the end of the year was $287,811, against $249,475 in 1917 and $78,065 in 1914.

The working capital position of the company continues comfortable as a result of the improved earnings of the past three years. Current assets amount to $1,395,169, against current liabilities of $630,522, the working capital margin being, therefore, $764,647, against $736,663 a year ago and $500,676 two years ago. Bank loans increased slightly within the year from $175,000 to $220,000, an increase of over $200,000 in inventories furnishing the explanation. Plant account increased about $42,000 and investments about $36,500 in the year.

Calgary Street Railway.—The street railway will have a deficit of $34,680.21 for 1918, which may possibly be decreased when credits from the Bowness track and road electric lines and reconstruction of cars now in process, have been adjusted. The superintendent, in making this report, points out that a large supply of car wheels which were taken into stock late in the year will also have to be placed.

A deficit for the year 1919 of $10,000 is also the estimate for that department. This is based on present wage and salary schedules, which will in all probability be increased. An item which has proven to materially increase earnings in the past, the Sarcee camp line will not likely be in operation this year.

The earnings for 1918 are the largest that the railway has experienced since 1913, although the influenza epidemic and continued fine weather through the winter reduced the daily receipts. While receipts have increased, operating expenses have also gone up, and the 4 per cent. tax which was levied last June by the council totalled $24,667, a considerable portion of the deficit.

The railway carried 677,781 fewer passengers last year than in the preceding year, although, due to an increase of one-ninth per cent. in the fares, the total earnings surpassed those of 1917 by $107,124, the largest increase in five years, the total for 1918 being $635,677 and for 1917, $582,553. Against that, operating expenses jumped from $356,096 in 1917 to $441,623 last year.

Timiskaming Mining Co.—Current assets of $870,114 are shown by the company, in their annual statement.