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406-408 LAKE OF THE WOODS BUILDING,
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LAKE OF THE WOODS MILLING COMPANY.

The statement of the Lake of the Woods Milling Company, Limited, for the year ended August 31st, 1917, is an even better one than appears on the surface. Profits for the year are reported as \$569,748 against \$525,141 in the preceding year. But apparently, on this occasion, they have been declared after making provision for war tax, whereas last year an amount of \$100,000 was taken out of profits to provide for two years' war tax. Further, there is a reduction of \$45,000 in bond interest compared with preceding years, through the fact that last year the Keewatin company's bonds were retired, \$350,000 being paid off out of the Company's own resources, and the balance retired by a loan of \$400,000, which is guaranteed by the Lake of the Woods company and appears in the balance sheet as an indirect liability.

Comparative details of the profit and loss accounts for the last three years are as follows:—

	1917	1916	1915
Profits.....	\$569,748	\$525,141	\$518,920
Bond Interest.....	54,000	99,000	99,000
Preferred dividend.....	\$515,748	\$426,141	\$419,920
	105,000	105,000	105,000
Common dividend.....	\$410,748	\$321,141	\$314,920
	168,000	168,000	168,000
Written off.....	\$242,748	\$153,141	\$146,920
	100,000	100,000	100,000
Surplus.....	\$142,748	\$53,141	\$46,920
Previous surplus.....	889,136	935,994	889,074
Bond Redemption a/c.....	\$1,031,884	\$989,135	\$935,994
	200,000	*100,000
Balance of surplus.....	\$831, 84	\$889,135	935,994

* Provision for two years' war tax to August 31, 1916.

After meeting bond interest \$54,000, and paying the preferred dividend which absorbs \$105,000, a balance of \$410,748 is left, equal to 19.5 per cent. upon the common stock. This compares with \$321,141 (15.3 per cent.) in 1915. As usual \$100,000 is devoted in equal amounts to writing down the property and goodwill accounts, goodwill thus being reduced to \$550,000. After payment of the 8 per cent. dividend upon the common stock, absorbing \$168,000, there is a surplus for the year of \$142,748 against \$53,141. This, with the previously accumulated surplus of \$889,136, makes a total surplus of \$1,031,884. From this surplus

account, a sum of \$200,000 has been transferred to Bond Redemption Account in view of the maturity of \$900,000 Lake of the Woods bonds in 1923, the surplus being accordingly reduced to \$831,884.

The balance sheet naturally compares favorably with that of the preceding year. Current liabilities, including provision for war tax, are about \$16,000 lower than in 1916 at \$990,036 while liquid assets are up from \$2,204,570 to \$2,409,419. The comparative statement of liquid assets for three years is as follows:—

	1917	1916	1915
Cash.....	\$ 24,927	\$ 80,428	\$ 127,785
Bills and accounts receivable.....	1,012,764	843,594	527,093
Wheat, etc., on hand.....	1,371,728	1,280,548	821,806
	\$2,409,419	\$2,204,570	\$1,476,684

The reconstructed Medicine Hat plant has been running continuously since the beginning of the present year, and the old plant at Keewatin has been increased by an additional capacity of about 1,000 barrels daily. Mr. W. W. Hutchison (vice-president), stated at the annual meeting that this year's western crops are most satisfactory both in quality and quantity, and a steady run of all mills for the present year is confidently anticipated. While the Canadian mills have been shut out from their export market and are not permitted to do business direct, the Allied Governments have established Purchasing Departments, who are now taking the surplus products of all mills and buying regular established mill brands, for commercial purposes.

In addition to the president (Brigadier-General F. S. Meighen) and two directors, who have been on service since the beginning of the war, the Company has 125 men with the Colours.

NEW DIRECTORS OF THE BANK OF MONTREAL.

Col. Henry Cockshutt, of Brantford, Ont., president and managing director of the Cockshutt Plow Company, and Mr. J. H. Ashdown, of Winnipeg, president of the Winnipeg Hardware Company, have been elected directors of the Bank of Montreal.

The present appointments, in conjunction with the last appointment, that of Mr. Harold Kennedy, of Quebec, are particularly interesting as suggesting a broadening of the Bank's policy in regard to directors, who, for many years, were chosen from among Montreal leaders in business and finance. The present move of appointment of business leaders in various parts of the Dominion will undoubtedly appeal as a progressive step in harmony with present-day developments in banking and industry, and as calculated to strengthen yet further the Bank of Montreal's position.

It is notable that both the new directors are not only men of large business affairs, but also leaders in the public life of their communities. Both have filled the office of Mayor and president of the Board of Trade in their respective cities. Colonel Cockshutt has served a term as president of the Canadian Manufacturers' Association, and Mr. Ashdown has been a member of the Greater Winnipeg Water Commission, and of the Royal Commission on Transportation appointed in 1906.

The premiums collected by the British life companies amount to about \$160,000,000 per annum, of which about \$20,000,000 per annum are collected outside the British Isles.