

## MONTREAL WATER AND POWER COMPANY.

While the annual report of the Montreal Water and Power Company, shows a slight decrease in gross earnings and net profits in comparison with the previous year, when all the circumstances are taken into consideration, it is seen that the results achieved are not only satisfactory in themselves, but constitute effective evidence of the strong position now occupied by this Company. The gross earnings for the year ended April 30th last were \$775,463 against \$783,690 in the previous year, a decrease of some \$8,000. However, it must be borne in mind that in the previous year, a large amount was received from the City for water supplied at the time of the breakdown of the city system. Apart from this, the steady business of the company again showed an increase over the previous year of some five per cent.—a fact which considering the circumstances of the year is distinctly gratifying.

The continuous growth of the Company during recent years is effectively shown in the following table of gross revenues:—

1898-9	\$ 100,923	1906-7	\$ 263,524
1899-0	117,292	1907-8	300,837
1900-1	127,237	1908-9	352,810
1901-2	140,816	1909-10	388,122
1902-3	148,775	1910-11	432,151
1903-4	165,827	1911-12	506,504
1904-5	184,838	1912-13	671,684
1905-6	213,668	1913-14	783,690
		1914-15	775,462

The operating expenses for the year, including maintenance repairs, legal and other expenses amounted to \$330,494, an amount slightly larger than last year, the excess being more than accounted for by extraordinary expenditures which, while benefiting the system, have been charged to operating account. The gross profit for the year was \$444,968. After paying interest in full on all the outstanding bond obligations there remains a net operating profit for the year of \$195,727, compared with \$208,813 in the previous year. A balance of profits forwarded of \$189,043 makes a total available on profit and loss account of \$384,770.

### A CONSERVATIVE POLICY.

This is dealt with on conservative lines. Discount on bonds and premiums due on bonds at maturity are provided for to the extent of \$29,936; certain assets are written down by \$2,168, while the substantial sum of \$40,000 has been set aside for general depreciation, leaving a balance to be carried forward of \$312,665. It was noted a year ago that the then balance (\$189,043) would justify the declaration of a dividend on both classes of stock. Action was then deferred owing to the City of Montreal having acquired, as the result of a mutual agreement, the right to purchase the capital stock of the Company within a few months. The position of the Company in this respect is now much stronger, but in view of existing financial conditions the directors have deemed it prudent to defer consideration of this matter until the coming fiscal year. It is noted that the city has not signified its intention of exercising any powers of expropriation or purchase.

The issued share capital of the Company is com-

paratively small, being \$500,000 preferred shares and \$280,000 common, in all \$780,000. There are now outstanding Ste. Cunegonde 5 p.c. debentures, \$250,000; 4½ p.c. prior lien bonds, \$4,865,207; and 5 p.c. bonds and scrip certificates, \$1,074,596. Total assets are \$8,226,332, cash being \$437,207, an increase of about \$120,000 on last year, and accounts receivable \$191,948, while the cost of system, purchases, real estate, etc., is put at \$7,124,898.

In view of incorrect and contradictory statements that have been published regarding the actual physical value of the Company's plant and assets, the American Appraisal Company has been employed to make an exhaustive investigation. The valuation, after providing most adequate depreciation, shows the value of the plant to be much in excess of the amount it stands at in the Company's books.

## RE-ORGANISING BRITISH FINANCES.

*[Continued from front page].*

even under the prodigious strain of a long war, are not sadly amiss, that is at least possible.

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But in view of the uncertainty regarding the length of the war, and the expenditures that may yet have to be made upon it before it is brought to a successful conclusion, it is necessary that in Canada, capital should be steadily accumulated in order that we may provide more for our own requirements than in the past. From the financial point of view, the war is to Canada, owing to geographical situation, agricultural production and other causes, not wholly loss. In fact, it is hardly going too far to say that the financial and commercial situation here in many respects would have been worse than it is now, if the war had not taken place. While the strenuous economy now being urged upon all classes in Great Britain is not perhaps so urgently necessary here, it is certainly desirable in the interests of future financial stability that the large profits which are now being secured in many quarters, should be steadily accumulated to provide capital for the future.

## POST-MORTEM CONTROL.

The one thing last and uppermost on the mind of the man who creates an estate is its disposition after death. No one has worked and sweated and saved to create wealth but has not viewed with apprehension the approaching inevitable transfer of the property to its possible dissipation by others. Yet nature and the laws of the land decree that he must relinquish control. He may make will; he may create trusts, and yet his efforts to conserve his estate after death come to naught. It has been the rule to go to the limit of legality in attempted control beyond the end of life. But with those who have not saved, and who must depend on life insurance for continuance of home comforts to dependents, the contrary has been the case. From single sum life insurance benefit they have left money in bank with no restriction whatever on its use. But by income payments the means of certain post-mortem control of estate are now provided for the man who insures his life. In this he is more fortunate than the one who has other property to devise.—F. F. Taylor, *Metropolitan Life*.