

INVESTMENTS AND THE MARKET

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

Porcupine Crown Mines, Limited.—The directors of this company have decided to pass the quarterly dividend, owing to a shortage of labor.

Dominion Textile Company, Limited.—The company, says a Montreal despatch of August 14, contemplates erecting a factory to have 100,000 spindles and 3,000 looms, the total expenditure involved being \$2,790,000.

Southern Canada Power Company.—The company has issued a statement for nine months to June 30th, which shows substantial improvement in the earning power. The chief items and increases are:—

	1917.	Increase.
Gross earnings	\$336,842	\$90,899
Operating expenses	127,662	26,577
Purchased power	47,856	30,304
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	\$175,519	\$56,042
Net earnings	161,323	34,856
Interest and administration charges	118,200	11,400
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Surplus	\$ 43,123	\$23,456

Nipissing Mines Company.—The company, says Wall Street Journal, during July mined ore valued at \$272,490. Every ounce of silver finds a ready market and with prices at their current high level earnings have broken into new high ground.

It costs more to produce silver to-day than a year ago and considerably more than three years ago, before war prices boosted supplies, and prior to the many wage advances. This naturally has cut down what would otherwise be a rapidly growing margin of profit.

Although a substantial extra dividend could be comfortably paid, the prospective action of Nipissing directors when they meet for disbursement payable in October cannot be forecasted at this time. The July dividend amounted to 5 per cent. and it would seem as though an extra of at least 5 per cent. would be ordered with the next regular disbursement of that amount.

Nipissing will soon pass as an American corporation, for stockholders will meet this month to vote upon the proposition to transfer the charter of the holding concern—Nipissing Mines Company—from Maine to Canada. This will effect a large saving in taxes.

American Cyanamid Company.—The company, a Canadian-American concern, which manufactures fertilizer materials, with plants at Niagara Falls, Ontario and Warners, New Jersey, reports net profits of \$638,648 for the year ending June 30th last, against only \$58,583 two years ago when the company's business was demoralized by the war. Profits as shown were equal to slightly more than 8 per cent. on the \$7,805,200 preferred stock outstanding at the end of the year. The company's securities are traded in on the Toronto stock exchange and the Canadian interest in the company is fairly large.

Net sales for the past year amounted to \$2,705,053 against \$1,881,532 the preceding year. Contracts for delivery in the current year already in hand are placed at \$2,025,811.

The balance sheet shows current assets of \$1,343,328, of which \$105,066 is cash, against current liabilities of \$684,443, including \$359,114 notes payable.

Surplus account which was \$232,283 a year ago, stands at \$525,402 after deducting \$148,951 for losses sustained through dismantling part of the Niagara Falls plant and \$196,578 for deferred dividend paid last December. Accrued dividends due on the preferred stock amount to \$439,837.

During the past twelve months the company acquired the entire capital stock of the Ammos-Phos Corporation, which is to begin manufacturing a new fertilizer material, ammonium phosphate, this month, and has already been producing sulphuric acid and sulphate of ammonia. With this

corporation was also acquired in the same transaction the Amalgamated Phosphate Company, which owns phosphate rock mines in Florida.

The annual report makes the following comment: "The demands upon your company's treasury to defray the cost of the phosphate mines extensions (the capacity of the mines is being doubled), coupled with the extensions and improvements at the Ammo-Phos plant and at Niagara Falls, have been such, together with the undue risk at this time of the world's history in assuming large loans, as to involve the necessity of passing the dividend on the preferred stock, amounting to 6 per cent. for the fiscal year ended June 30th, 1917. The preferred stock is cumulative, so that this action is only a deferment; all accrued dividends on the preferred stock must be discharged before any dividends can be paid on the common stock. Your directors have taken this action with the conviction that this reinvestment of earnings in plant extensions and improvements at this time will result in extraordinary and immediate benefit to holders of both the preferred and common stock."

Porcupine Crown Mines, Limited.—The directors of the company have passed the dividend, which has been at the rate of 12 per cent. per annum since the dividend was started in 1914. Dividends have been paid quarterly on the basis of 3 per cent. Owing to the excessive shortage of labor in the Porcupine district and the resultant inability to keep the mine development ahead of production, the directors of the company deem it advisable to temporarily discontinue dividends. As soon as the labor situation adjusts itself, dividends will be resumed.

The company was enabled to pay its dividends for the six months ended June 30, 1917, only by drawing on the broken ore reserves, a further continuation of which would be highly detrimental to the economic interests of the company. Production of bullion, gross value \$245,031
Mint charges, mining, milling and general mine expenses 120,851

Profit on operating mining property \$124,179

Profit and Loss Account at June 30, 1917.

Balance January 1, 1917	\$277,084
Profit on operations	124,179
Interest	2,080
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	\$403,345

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To dividend, half year	\$120,000
To head office administration and patriotic contributions	5,954
To surplus at January 1st, 1917	\$277,084
To added to surplus to June 30, 1917	305
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	277,390
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	\$403,345

The Toronto Hydro-Electric System.—The sixth annual report of the company submitted to the shareholders shows assets \$7,501,186, liabilities \$7,898,000. The figures are:—

Fixed assets—Lands, buildings, transmission system, sub-station equipment and feeder system, distribution system, municipal street lighting system, line transformers, meter equipment and devices, general office, stores department, utility department, miscellaneous equipment and miscellaneous construction and equipment expenditures and exhibition construction and equipment, \$6,827,641; leasehold premises and improvements, \$74,357; debenture discount and expenses, \$599,188.

Current assets—Stores on hand and apparatus on loan less reserve for contingencies, \$425,259; accounts receivable (including orders in progress) less reserve for estimated losses \$37,667, \$241,461; capital funds in hands of city treasurer, \$650,000; cash in bank and on hand, \$60,141—\$1,376,141.