

INVESTMENTS AND THE MARKET

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

Trinidad Electric Co., Ltd.—The following is a statement of earnings of the company for March, 1919:—

	Gross.	Net.
Railroad	\$14,529.36	\$4,777.36
Light and power	9,931.93	1,734.24
Ice and refrigeration	3,490.27	562.26
Total net		\$7,073.86

Demerara Electric Co., Ltd.—The following is a statement of the earnings of the company for March, 1919:—

	Gross.	Net.
Railroad	\$6,814.75	\$ 345.71
Light and power	8,803.99	4,206.52
Miscellaneous		161.59
Total net		\$4,713.82

Holt, Renfrew Co.—Arrangements were completed last week by a Montreal syndicate, headed by Lorne C. Webster, for the taking over of the fur business of Holt, Renfrew and Co.

The new organization will have a capitalization of \$225,000 bonds, \$1,000,000 preferred stock and \$1,000,000 common stock, and it is announced that the Montreal Securities Corporation, Ltd., and Messrs. McDougall and Cowans, members of the Montreal Stock Exchange, will bring out the new issue.

If present plans are carried out, the entire staff of experienced workers that has made the business one of the largest in Canada will continue with the new company. The new board will include Sir Herbert Holt, A. E. Renfrew, Lorne C. Webster, J. W. McConnell, A. J. Brown, K.C., R. B. Lindsay, W. H. McWilliams, of Winnipeg.

Reid-Newfoundland Railway Co.—According to the returns of the company, just tabled in the legislature, the loss on operation amounted to \$346,624. The full earning power of the railway was \$1,253,565, the receipts being: Passenger traffic, \$527,690.95; freight, \$579,302.71; mails, \$61,251.47, and other sources, \$85,230.86. The gross operating expenses were \$1,600,190.84, and were divided as follows: Maintenance of line, buildings, etc., \$243,839.32, of which amount wages was responsible for an outlay of \$162,039.96, ballasting \$27,718.68, and snowclearing \$19,352.28; working and repairing of engines, \$599,701.41, of which \$365,436.59 was spent on coal; repairs to cars, \$120,302.41, and general expenses, \$201,874.72. This latter amount covers office expenses, management, station agents, etc. The above figures deal solely with the railway and do not include the returns from the company's steamers or their other branches of industry.

Chicoutimi Pulp Co.—Notice has been given by the North American Pulp and Paper Companies Trust of a special meeting of the shareholders, to be held in the Ritz-Carlton Hotel, Montreal, on May 22nd, 1919, for the purpose of considering the exchange of the Chicoutimi Pulp Co.'s common shares for a like amount, par value, of common shares of the Saguenay Power Co., to authorize an increase in the number of preferred shares from 25,000 to 30,000, and to reduce the dividend thereon from 7 per cent. to 6 per cent., cumulative from April 1st, 1919; to change the preferred shares if increased into Saguenay Power shares, and to increase the number of directors of the Chicoutimi Pulp Co. to nine.

The Saguenay Power Co. will become the Saguenay Pulp and Power Co., and proposes to acquire the controlling interest in the Chicoutimi Pulp Co., the St. Lawrence Pulp and Lumber Corporation, the Chicoutimi Freehold Estates, Ltd., the Roberval-Saguenay Railway Co., the Saguenay Light and Power Co. and the Chicoutimi Port Co.

National Breweries, Ltd.—The annual statement of the company was presented to the shareholders at the annual meeting, held in Montreal last week. Gross profits for the year were \$616,265, an increase of about \$200,000, or 50 per cent., over a year ago. The amount available for common stock dividends, after allowance for bond interest, preferred dividends and \$82,226 for depreciation, was \$236,509, equal to 10.5 per cent., against 1½ per cent. the previous year and 2½ per cent. the year before.

The most notable changes are in the company's balance sheet. Cash on hand amounted to \$1,212,403, against \$803,059 the previous year, an increase of 50 per cent. Total working capital amounted to over \$2,000,000, current assets of \$2,462,562, comparing with \$256,640 current liabilities, against \$1,295,926 current assets and \$235,798 current liabilities the previous year. Accounts receivable amounted to \$1,250,000, against less than \$500,000 the previous year. The surplus of \$236,509 for the year brings the total surplus up to \$900,592, representing about 18 per cent. on the combined preference and common shares outstanding at the end of the year.

Calgary Petroleum Products, Ltd.—The shareholders of the company have endorsed a proposal of the directors to authorize them to borrow \$500,000 on an issue of the debenture stock, bearing interest not to exceed 8 per cent., the proceeds to be employed in further development of the field. At a recent meeting the managing director, Mr. A. W. Dingman, gave a detailed statement of the workings and plans of the company in connection with the audited financial statement which was presented to the meeting.

Mr. Dingman stated that, whether the \$500,000 loan was authorized or not, the company was in a position to proceed with its development work, but that it would naturally be slower, and that with the loan available to clear off some present bank and guarantee liabilities, the company would be in a position sooner to pay dividends on its stock.

The total share capital of the company is \$1,500,000 of a par value of \$1 each. Up to the end of September, 1918, 885,635 shares have been issued, leaving 614,365 shares in the treasury. Under the terms of its charter such stock could only be sold at its par value, and, as a "curb market price" was persistent at from 20 to 25 cents—made possible by transactions in a few speculative holdings—no negotiations could be successfully initiated for the placing to advantage the whole or part of the treasury stock. Efforts made to dispose of these shares in order to provide working capital were, therefore, not successful.

Canadian Cottons, Ltd.—The profit and loss account for the year ended 31st March, 1919, shows a net manufacturing profit of \$1,365,103 and rentals from the Mount Royal spinning mill of \$198,000, compared with \$926,615 and \$199,510, respectively, last year. This made a total of \$1,563,103, of which bond interest and dividends at the rate of 6 per cent. on both preferred and common stock absorbed \$592,320. The sum of \$400,000 was set aside for depreciation on plant, \$200,000 as a reserve for replacements and \$15,000 for bad debts. The balance of \$355,783 was carried forward into the balance sheet, where it is added to the balance at credit of profit and loss at 31st March, 1918, of \$1,873,109. Total assets are now \$14,863,442, a reduction of about \$1,000,000, compared with last year. This is mostly due to decreased materials for manufacturing on hand and partly to a reduction in the valuation of properties, water power, etc.

The year was, therefore, a highly successful one, as all obligations were met, a reasonable dividend paid, and such ample provisions made for future contingencies as greatly strengthens the financial position of the company.

At a meeting of the bondholders, held in Montreal on May 12th, the proposal to sell the Mount Royal spinning mill to the Dominion Textile Co. was ratified. Canadian Cottons is to receive \$2,375,000 for the property, half the purchase price to be paid in cash and the balance in Dominion Textile 6 per cent. bonds. The proceeds of the sale will be turned over to the trustee of the bondholders and held for the benefit of the latter.