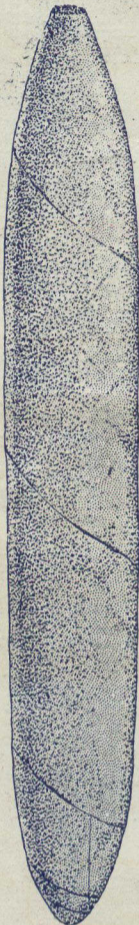


# It is a Handmade Clear Havana Cigar

You save 60 per cent. of the duty because

THE **AGRADA** CIGAR

is Made in Canada by expert native Cuban cigar makers out of clear Havana tobacco, wrapper and filler, and packed in Mexican cedar "boite nature."



## Here is Our Offer

"AGRADA" PERFECTO

We will send twenty-five fresh, fragrant "Agradas" packed in a Mexican cedar box, and shipped to you

## Direct from Our Cigar Factory

at the following prices: Corona or Perfecto size, box of twenty-five, \$2.50; Panatela size, box of twenty-five, \$2.25; you can then

## Try Four at Our Expense

Smoke four "Agradas" when you receive them---if they don't please you in every way---send back the balance and we will return your money without a word. Don't wait---get your order in the mail to-day. You can't lose---we stand all the expense if they fail to please you.

Remit by money order or cheque and mention whether you like light, medium or dark cigars.

**ROGELIO, GIRARD & CO.**  
39 McCaul St. - - - Toronto

# THE TORONTO RAILWAY COMPANY

REPORT OF THE PRESIDENT AND DIRECTORS  
For the Year Ending 31st December, 1917.

YOUR Directors with pleasure submit the Twenty-sixth Annual Report, together with Balance Sheet and Profit and Loss Account of the Company, for the year ending 31st December, 1917.

While the gross income of the Company has shown an increase, the net income has been adversely affected owing to increase in wages and to the abnormal war conditions causing the price of all classes of supplies to advance very materially.

The gross earnings amounted to ..... \$6,291,759.06  
Charges for operating, maintenance, etc. .... 3,815,277.82

Net earnings .....		<u>\$2,476,481.24</u>
From which net earnings there was deducted the sum of \$2,293,918.98, distributed as follows:—		
Dividends .....	\$960,000.00	
Bond Interest, etc. ....	146,887.66	1,106,887.66
Payments to City:		
Percentage on earnings .....	\$970,512.41	
Pavement charges .....	98,840.80	
General Taxes .....	117,678.11	1,187,031.32
		<u>\$2,293,918.98</u>

The gross passenger earnings show an increase of \$321,057.39, being for the year \$6,202,562.67, compared with \$5,881,505.28 for the year 1916. When one has in mind the large number of our citizens who are still engaged in the war overseas, the income from the operation of the system must be recognized as satisfactory.

The operating charges have increased—(a) through the large increase in the wages of conductors, motormen and shop hands; (b) owing to the fact that in nearly every line of material used in the upkeep of the Company's plant, the price has advanced greatly—in some cases the material used has increased over 200 per cent.

The operating and maintenance cost for the year amounted to the sum of \$3,815,277.82, an increase of 4.5 per cent. over the cost of operation in 1916.

The payments made to the City of Toronto amounted to the sum of \$1,187,031.32, which when compared with payments made during the previous year, shows an increase of \$74,021.57.

The seventh drawing of the Company's currency and sterling bonds, under the terms of the mortgage deed dated 1st September, 1892, took place on the 21st day of June. Under said terms the Company draws annually during the last ten years of its franchise, five per cent. (5%) of the amount of bonds issued, thus reducing during the ten years mentioned, the outstanding bonds to fifty per cent. (50%) of the original issue, and all bonds so drawn are to be redeemed on or after the 31st day of August following the date of drawing, from which date no interest is payable on bonds so drawn. There has been drawn to date a total of \$1,592,519.98.

Careful attention has been paid to the maintenance of the plant, rolling stock equipment and other properties of the Company.

Your Directors declared, out of the accumulated surplus earnings of the Company, four quarterly dividends of two per cent. (2%), all of which dividends were paid on the several dates set for payment.

A regular monthly audit and verification of the books, accounts and vouchers, was made by W. S. Andrews & Company, Chartered Accountants, and their certificate has been attached to the Company's balance sheet.

Respectfully submitted,  
WILLIAM MACKENZIE,  
President.

INCOME ACCOUNT.	
Gross earnings .....	\$6,291,759.06
Operating, maintenance, etc. ....	3,815,277.82
Interest on bonds, etc. ....	146,887.66
Percentage on earnings .....	970,512.41
Pavement, taxes .....	264,271.30
	<u>5,196,949.19</u>

PROFIT AND LOSS ACCOUNT.	
31st December, 1917.	
Balance from last year .....	\$5,408,873.68
Surplus earnings, after payment of all expenses, interest, taxes, etc. ....	1,094,809.87
	<u>\$6,503,683.55</u>
Dividends, four of 2 per cent. each, on the paid-up capital.....	\$ 960,000.00
Balance from 1916 .....	\$5,408,873.68
Surplus carried forward .....	134,809.87
	<u>5,543,683.55</u>
	<u>\$6,503,683.55</u>

GENERAL STATEMENT—Year Ending 31st Dec., 1917.	
ASSETS.	
Road and equipment, real estate and buildings, including pavements, etc. ....	\$19,592,694.81
Advances to subsidiary companies .....	2,914,352.17
Stores in hand .....	\$ 213,526.23
Accounts receivable .....	199,893.43
Cash in hand and in bank .....	413,419.66
	860,776.93
	<u>\$23,781,243.57</u>
LIABILITIES.	
Capital Stock:	
Authorized and issued .....	\$12,000,000.00
Bonds outstanding, 4½ per cent. Sterling .....	\$1,927,200.01
Bonds outstanding, 4½ per cent. Currency .....	1,030,000.00
	2,957,200.01
Short Term Notes .....	1,500,000.00
Mortgage .....	70,000.00
Accounts and Wages payable .....	\$696,091.43
Accrued interest on Bonds .....	44,479.53
Dividend No. 86, payable 2nd January, 1918 .....	240,000.00
	980,570.96
Reserves:	
Provision for renewals and ticket redemption .....	\$1,846,651.82
Less charges to date .....	1,391,645.06
	\$ 455,006.76
Insurance fund for injuries and damages .....	274,782.29
	729,789.05
Profit and Loss .....	5,543,683.55
	<u>\$23,781,243.57</u>

Certified correct,  
W. S. ANDREWS & CO.,  
Chartered Accountants.

The Board of Directors were elected as follows:—President, Sir William MacKenzie; Vice-President, Lt.-Col. The Hon. Frederic Nicholls; Brig.-Gen. Sir Henry M. Pellatt, C.V.O.; Hon. C. P. Beaubien, Frank W. Ross, E. R. Wood, Geo. H. Smithers. R. J. Fleming, General Manager; J. C. Grace, Secretary-Treasurer.