

## LAKE OF THE WOODS MILLING COMPANY, LIMITED.

A very satisfactory statement for the year ended August 31st, 1916, is presented to shareholders by the Lake of the Woods Milling Company. The Company was handicapped though the destruction by fire in April last of its Medicine Hat plant. Although, as is pointed out in the annual report, plant, stock and dividend income were all fully covered by insurance, the Company loses the output of this mill for about eight months during a very busy season, when it would have been running at full capacity. Under these circumstances and in view of the fact that the wide and erratic fluctuations of the wheat market during the war period have created great difficulties for the milling companies, shareholders will particularly appreciate the fact that profits show an increase upon the two preceding years, being reported as \$525,141 against \$518,920 in 1915 and \$507,939 in 1914. After meeting bond interest \$99,000, and paying the preferred dividend which absorbs \$105,000, a balance of \$321,141 is left equal to 15.3 per cent. upon the common stock against 15.0 per cent. in 1915 and 14.47 per cent. in 1914. As usual \$100,000 is devoted in equal amounts to writing down the property and goodwill accounts, goodwill thus being reduced to \$600,000. After payment of the 8 per cent. dividend upon the common stock, absorbing \$168,000, there is a surplus for the year of \$53,141 against \$46,920 which with the previously accumulated surplus makes a total surplus of \$989,135 against \$935,994. From this surplus there is, however, now provided \$100,000 to meet the Business Profits War Tax up to August 31st last, the surplus thus being reduced to \$889,135 or about the same level as in 1914.

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

	1916.	1915.	1914.
Profits.....	\$525,141	\$518,920	\$507,939
Bond Interest.....	*99,000	*99,000	*99,000
Preferred dividend....	\$425,141	\$419,920	\$408,939
	105,000	105,000	105,000
Common dividend.....	\$321,141	\$314,920	\$303,939
	168,000	168,000	168,000
Written off.....	\$153,141	\$146,920	\$135,939
	100,000	100,000	100,000
Surplus.....	53,141	46,920	35,939
Previous surplus.....	935,994	889,074	853,135
Total surplus.....	\$989,135	\$935,994	\$889,074
Provision for War Tax..	100,000		

Balance of surplus... \$889,135 \$935,994 \$889,074

\* The Company guarantees \$750,000 6 per cent Keewatin Flour Mill Company's bonds.

Since the close of the financial year, \$350,000 of the bonds of the Keewatin Company have been paid off by that Company out of its own resources, the balance of the Company's bonds being retired by a loan of \$400,000, guaranteed, as were the bonds, by the Lake of the Woods Company. Whether this loan will be paid off out of earnings or funded later is not now a subject of discussion. The effect of this arrangement is, of course, to reduce the loan interest for which Lake of the Woods is responsible

on account of the Keewatin Company by practically one-half, or by about \$20,000 a year.

The large scale of the business at present transacted by the Company is reflected in the balance sheet. Current liabilities, including the provision for war tax, have increased from \$304,907 to \$1,006,095, but coincidentally liquid assets are increased from \$1,476,684 to \$2,204,570. The comparative statement of liquid assets for three years is as follows:—

	1916.	1915.	1914.
Cash.....	\$ 80,428	\$ 127,785	\$ 48,942
Bills and accts. receivable..	843,594	527,003	740,482
Wheat, etc., on hand.....	1,280,548	821,806	659,109
	\$2,204,570	\$1,476,684	\$1,448,533

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 now about 125 men with the Colours.

### THE DOMINION'S DEBT.

During the year ended September 30th, the Dominion's net debt increased by \$196 millions from \$484,841,634 to \$680,275,444.

When war broke out in 1914, the Dominion's debt was about \$42 per head of the population; it is now \$85 per head—and still going up. The increase during September was \$20,654,175.

The funded debt is now payable as follows:—in Canada \$118,645,075; in New York, \$75,357,000; in London, \$470,315,342. Completion of the payments on the second domestic war loan will bring the funded debt payable in Canada up to over \$1,000,000,000.

ESTABLISHED 1873.

The

## Standard Bank of CANADA

### QUARTERLY DIVIDEND NOTICE No. 104

NOTICE is hereby given that a Dividend at the rate of THIRTEEN per cent. per annum upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st October, 1916, and that the same will be payable at the Head Office in this City, and at its branches on and after Wednesday, the 1st day of November, 1916, to Shareholders of record of 23rd of October, 1916.

By Order of the Board,

GEO. P. SCHOLFIELD,  
General Manager.

Toronto, September 25th, 1916.