Corporation Finance

Sherwin-Williams Had Fine Year—Atlantic Sugar Shareholders to Vote on New Financing Plans—Holt Renfrew Sales Increase—Satisfactory Improvement in Winnipeg Railway Earnings

Quebec Railway, Light, Heat and Power Co.—The finance committee of the city of Quebec has passed favorably on the application of the company to increase its gas rates from $1.25 per thousand cubic feet to $1.75.

Holt, Renfrew and Co., Ltd.—Total sales during the nine months ended October 31, 1920, amounted to $2,506,768, an increase of $211,950, or, approximately 9 per cent. over those for the corresponding period last year. The greatest increase was reported in Montreal, where business grew by some 22 per cent. The outlook for the balance of the company's fiscal year, which ends on January 31 next, is stated to be entirely satisfactory, the demand for Christmas goods already being in evidence and well up to that of last year.

Winnipeg Electric Railway Co.—A very satisfactory improvement is shown in the earnings' statement of the company for the nine months ended September, 1920. The figures are as follows:—

	1920.	1919.	Increase.
Gross earnings	$3,796,337	$2,912,851	30.33%
Operating expenses ...	2,852,966	2,386,534	19.5 %
Net earnings	$ 943,371	$ 526,317	79.2 %

The company received new fares and gas rates which only took effect on September 1, so that the above figures do not reflect the improvement which will take place owing to these advances.

In these columns last week figures of the company's bonded indebtedness were quoted. The fact that the $750,000 gold notes outstanding were part of the total bonded debt of $5,750,000 was not distinguished, while it was also omitted that $289,000 of 5 per cent. first mortgage bonds are held by sinking fund trustees.

Atlantic Sugar Refineries, Ltd.—Following a meeting of the directors of the company in Montreal on November 24, it was announced that a special meeting of shareholders would take place on December 4. At this meeting the position of the company would, so far as possible, be laid before the stockholders, who would be asked to ratify several new by-laws passed by the board, enabling the latter to proceed with new financing plans necessary by reason of the demoralization which has existed for some time past in the raw sugar market.

By-laws to be passed upon are: (a) To borrow money on the credit of the company; (b) to limit or increase the amount to be borrowed; (c) to issue the bonds, debentures, debenture stocks, or other securities of the company for sums not less than $100 each, and to pledge or sell the same for such sums and at such prices as may be deemed expedient; (d) to hypothecate, mortgage or pledge the real or personal property of the company, or both, to secure such bonds, debentures, debenture stocks, or other securities and any money borrowed for the purpose of the company.

Another item is: "Also for the purpose of considering and, if thought fit, of sanctioning and confirming by-law G passed by the directors on the 24th day of November, 1920, being a by-law to authorize the directors to exercise the borrowing powers of the company and to grant securities."

Sherwin-Williams Co. of Canada, Ltd.—The annual report for the twelve months ended August 31 last discloses earnings of $1,281,338, compared with $990,919 a year ago, and $1,162,951, the 1918 figures, which formerly constituted the best year in the company's career. After all deductions, including depreciation, bond interest, dividends on preferred stock and provision for government taxes, there remained available for application on the $4,000,000 common shares outstanding an amount of $733,909, against $350,769 last year and $586,584 in the preceding period. The 1920 showing in this respect is equal to 18.3 per cent., compared with 8.7 per cent. in 1919 and 14.7 in 1918.

The net earnings of the year, together with the surplus carried over from the 1919 period, brought the total surplus up to $3,417,961, which, with the special reserve of $100,000 shown in the statement, is equal to, approximately, 88 per cent. on the total common stock capitalization of the enterprise.

The balance sheet shows that current assets exceeded liabilities of a similar classification by $3,401,379, compared with $3,583,766 at the end of the 1919 period and $2,924,463 in 1918. The slight reduction in respect to the above was due almost entirely to the cutting down of inventories, which at $2,403,944 were lower by almost $540,000 than in the 1919 showing. Other changes in the balance sheet includes the reduction by rather over $600,000 in property assets, this reduction being due to the exclusion of those of Lewis Berger and Sons, Ltd., now carried under the heading of "Investments." The latter are given at $2,750,216, or more than double the amounts shown in the statement of last year. Reserves and surplus now amount to the sum of $4,269,451, a gain in the year of $723,421, and represent almost 50 per cent. of the entire funded debt and capitalization.

BRITISH COLUMBIA BOARDS OF TRADE

The second meeting of the Associated Boards of Trade of South-east British Columbia took place in Fernie on October 27th. This body is formed of the boards of trade of the towns of Fernie, Cranbrook, Creston, Windermere and Golden, but, owing to unforeseen difficulties, the boards of Creston and Golden were not represented at the meeting.

Several resolutions dealing with improvement of roads, the extension of telephone connections and asking the government to lend financial aid to irrigation projects, which would bring into cultivation the large areas now lying waste in the Kootenay valley, were favorably disposed of. Speaking upon the question of irrigation, R. Randolph Bruce strongly urged that united action should be taken, asking the provincial government to take up the proposed irrigation of these lands, and gave the convention valuable information regarding the possibilities of the district resulting from the installation of an adequate irrigation system. This would require such an outlay of money as to put it beyond the reach of private enterprise, but by lending its financial credit the province would be in line to receive ample returns for such aid, and the district would be brought within the producing list of lands, and the increase in population and the production of agricultural and dairy supplies would return many times the value of the moneys expended.

Another resolution, coming from the Windermere board, asked the provincial government to come to the aid of those settlers who had been induced to settle upon the lands in the Baynes Lake district by aiding in laying water from the Elk River upon those lands where any failure that had been experienced was because of the lack of sufficient water and not from any climatic or soil difficulties.

The private company which had undertaken that enterprise was unable to finance so large a proposition, and in consequence the district had been given a black eye, wholly undeserved, which had been a detriment to the district in general. This resolution, as well as that asking financial aid from the province, was unanimously endorsed by the convention.

Next year's meeting will be held in Cranbrook.