

MONTREAL WATER AND POWER COMPANY—Continued.

The President and Directors of the
Montreal Water & Power Company.

Gentlemen:

We have audited and examined the books and accounts of the Montreal Water & Power Company for the year ended 30th April, 1914, and beg to report that the accompanying Balance Sheet and Relative Profit & Loss Account for the year bearing our certificate's exhibit, is in our opinion, a true and correct view of the state of the Company's affairs as at 30th April, 1914, as shown by the books.

The inventories of materials and stock on hand have been certified by the storekeeper and accepted by us as correct.

Your obedient servants,
RIDDELL, STEAD, GRAHAM & HUTCHISON,

Chartered Accountants, Auditors.

Profit and Loss Account for the Year ending 30th April, 1914.

By balance brought forward from year ended 30th April, 1913		\$96,881.82
By gross revenue for the year ended 30th April, 1914	\$783,689.72	
Less all operating expenses, including maintenance, repairs, legal, general and other expenses	324,340.22	
Showing a gross profit for the year of	459,349.50	
To Interest on Funded Debt	\$283,412.09	
Less interest received and amounts charged on unfinished construction work	32,875.18	250,536.91
Showing a NET PROFIT for the year of		208,812.50
This has been disposed of as follows:		\$305,694.41
1. To Amounts written off the following Accounts for depreciation:		
Engineering Instruments	1,100.00	
Meters	7,000.00	
Stable Stock	4,000.00	
2. To (a) Year's proportion of Discount and Expenses on sales of bonds written off.		
To (b) Added to Reserve Account for premium (at maturity) on Prior Lien Bonds, and (c) Interest for the year on amount at credit of Reserve Account for premium at maturity on Prior Lien Bonds	29,551.71	
3. Special provision for possible loss on disputed accounts	15,000.00	
4. Provision for general depreciation	60,000.00	
5. Carried forward	189,042.70	305,694.41

Verified,
RIDDELL, STEAD, GRAHAM & HUTCHISON,

Chartered Accountants.

Montreal, 10th June, 1914.

Balance Sheet as at 30th April, 1914.

LIABILITIES.

Share Capital authorized, \$1,160,000.00		
Issued and outstanding:—		
Ordinary Shares	\$280,000.00	
Preferred Shares	500,000.00	\$780,000.00
St. Cunegonde 5% Debentures		250,000.00
Prior Lien 4½% Bonds		
Authorized	£1,000,000	
In hands of Trustees for future Capital Expenditure	300	
Issued and outstanding	£990,700	\$4,865,206.62
5% Bonds and Scrip Certificates		1,074,596.50
Amount due Municipalities, payable in from five to twenty years, without interest		137,515.18
Current ordinary liabilities		45,432.66
Accrued Interest and Wages		94,583.51
Reserve Accounts for Depreciation, etc.		402,945.27
Balance at Credit of Profit and Loss		189,042.70
		\$7,839,322.44

ASSETS.

Cost of System, Franchises, Real Estate, etc.		\$6,818,371.92
Prior Lien 4½% Bonds		
In Treasury of Company and being part of the \$4,865,206.62 issued and outstanding	50,288.69	
Discount and Expenses of Prior Lien Bond issues (written off by yearly instalments)	397,092.67	
Accounts Receivable	195,434.08	
Stable Stock, Furniture, Tools, Coal, etc.	33,086.94	
Pipes, Fittings, etc., on hand	25,342.80	
Unexpired Insurance, etc.	3,061.71	
Cash on hand and in bank and on loan	316,643.63	
		\$7,839,322.44

In addition to the liabilities set forth in the above statements, there exists a further liability to the City of Montreal (formerly the Town of St. Louis du Mile End) the exact amount of which is not yet determined. There are also liabilities to the Town of Outremont and City of Maisonneuve of a like character, but the Company is not required to meet such liabilities until the revenue derivable from the pipes represented by such debts reaches 10% on the cost. In all events the additional liability will, however, be offset by additional Assets of exactly the same amount as the liability represents a further Pipe System of precisely the same value that is to be taken over by the Company.

ALBERT CARVELL,
Secretary-Treasurer.

Verified.

RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants.

Montreal, 10th June, 1914.