INVESTMENTS AND THE MARKET

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

Canadian Cottons, Limited.—An initial dividend of 1 per cent. on the common stock of Canadian Cottons, Limited, has been authorized, payable on July 4th.

Atlantic Sugar Refineries Company.—At the company's annual meeting it was announced that another order amounting to 5,000 tons had been closed with the British government.

Hollinger Gold Mines, Limited.—The gross profits for the period ended May 19th were $154,369. The mill ran 90.6 per cent. of the possible running time, treating 46,561 tons, of which 33,558 tons were Hollinger ore and 13,003 tons were treated for the Acme Gold Mines, Limited. The average value of Hollinger ore treated was $8 per ton. Milling costs on 33,558 tons were $0.933.

Canadian Car and Foundry Company.—Senator Curry, the president of the Canadian Car and Foundry Company, Limited, says that this concern is making better progress with the execution of its contracts for Russian shells.

It is estimated that the value of shipments for June will be in the vicinity of $12,000,000. At the annual meeting as up-to-date information as possible will be given the shareholders in regard to its shell contracts.

Canadian Western Lumber Company.—The Canadian Western Lumber Company's returns show that, after $122,277 for depreciation on plant and machinery and $674,282 for depreciation on investments held (comprising securities of the Columbia River Lumber and Columbia Western Lumber), there was a deficit of $913,002, bringing the total amount at debit of profit and loss at the year-end to $2,572,333.

After the European war began the Canadian Western Lumber Company defaulted on its bond interest, and a reorganization was effected, the arrears of preferred dividends were cancelled, the preferred stock converted into common, and a new debenture issue made. The Columbia River Lumber Company also defaulted and adopted a somewhat similar plan.

Canadian Converters, Limited.—As a result of last year's business the trading profits amount to $140,223.02.

During the year a further consolidation of the plants operated by the company was effected, thereby reducing the operating expenses. The entire production of the company is now being turned out at the plants of the Standard Shirt Manufacturing Company, Limited, and John P. Black and Company, Limited.

After paying bond interest and making provision for reserve and depreciation and bad debts the balance at the credit of profit and loss account stands at $175,128.77.

The directors were all re-elected as follows: Mr. James R. Gordon, president; Mr. J. N. Laing, vice-president; Messrs. J. Baillie, J. M. Mackie, J. Harvey, R. G. Nelson Brooks, T. J. Rodger, directors; and Mr. T. M. Barrington, secretary-treasurer.

Goodwins, Limited.—Regarding the unsold balance of stock recently offered to shareholders, Mr. D. L. McGibbon, at the company's annual meeting as a shareholder, suggested that the directors agree not to make a private sale of the stock at a lower price than that at which it was offered to shareholders without first giving shareholders the opportunity of subscribing at the lower figure.

Mr. J. W. McConnell, president, said the request was a reasonable one, but he did not think it advisable that the board should be tied down to any unalterable course of action. The directors had taken among them the $125,000 of the new preferred stock at 80. That demonstrated their good faith in connection with the issue, and he thought it better that action with respect to the unsold balance should be left to their discretion. Mr. McGibbon said that that would be satisfactory to him, and the matter dropped there.

Of the recent offering of 5,000 shares of the preferred at 80, it was stated that about 30 per cent. had been subscribed, most of it by the directors. The common stock offered at the same time remained unsold.

South Winnipeg, Limited.—The debenture stockholders' committee have announced that a supplemental trust deed has been executed. It secures as from July 1st, 1914, an increase in the rate of interest from 5 to 6 per cent. per annum. Certificates for over 60 per cent. of the total issue of $1,850,035 common stock have been surrendered by the shareholders. Under the resolutions $750,000 of the common stock was to be distributed among the debenture stockholders. As the committee think it desirable that the common stock should remain in their hands for voting purposes, they do not propose to distribute it for the present. At the date when the resolutions were passed the liabilities (other than the liabilities under the trust deed and rates and taxes) did not exceed £8,500. The Tuxedo Park Company has released the company from any liability under the covenant given by the Canadian agency to expend at least £100,000 in developing the property. A formal release has been obtained from Messrs. Heubach, Finkelstein and Heubach of all claims against the company. The action brought against the company in Canada has resulted in judgment being given against it for $9,890 and costs. The company is, with the approval of the committee, appealing.

The estimated liabilities (excluding directors' fees, secretary's salary, and expenses of committee) are: As at June 30th, 1915, £8,300; liabilities accrued since, £3,700; liabilities estimated over next three years for taxes, interest on overdue taxes, and prior lien debentures, £16,000; total, £28,000.

Practically no sales of land are taking place. Under the supplemental trust deed, however, unpaid debenture interest is accumulating, and will be paid before any dividends to shareholders.

It is evident that the prior lien issue which was authorized by the debenture stockholders will have to be created shortly. The committee feel that this issue should be postponed as long as possible; but when it can no longer be delayed further information will be given.

Trust and Loan Company of Canada.—Col. Hon. Sidney Pell, president of the company, at the annual meeting, in dealing with the company's returns, stated that the company's gross revenue was $1,405,000 for the year, showing a falling off of $12,645. Working expenses have decreased by $7,140, but in spite of that decrease the net revenue, amounting to $595,870, shows a slightly greater fall than the gross revenue—a fall of $21,860. This is due to an increase of about $30,000 in war taxation in Canada. Meantime, the statutory reserve fund has increased by $168,490, and special reserve fund by $50,000. The investments of the statutory reserve fund, which stand at $1,463,750, have not been re-valued since March, 1914. When the proper time comes, and when the stock exchange gets back to a more or less normal condition, there will be a re-valuation of those funds, and whatever depreciation there may then be will be dealt with. That is a subject which need cause the shareholders no anxiety whatever. The shareholders were asked to confirm a dividend of 10 per cent. for the year, less income tax. The amount of interest in arrears has decreased since last year by $40,000, having gone down from $150,000 to about $110,000.

The company's investments in Canada have fallen by $1,280,000 from a year ago. There has been paid off $450,000 of debentures, and the company had in hand on March 31st last about $150,000 in cash and $1,840,000 of short-dated treasury bills, which are as good as cash; that is, practically $2,000,000 cash reserves against $625,000 last year. "I have no doubt," said the president, "that the shareholders approve the investment of these reserve funds in treasury bills. We are thereby assisting to finance the war, and, besides performing this patriotic action, we are doing good business for ourselves by putting ourselves into a position of perfect security against any possible emergency."