

# Investments and the Market

**Canada Iron Foundries Stock Listed on Montreal Exchange—Record Earnings of C.P.R. Offset by High Operating Expenses—Scotia Report Reflects Dullness in Steel Trade in 1919—Winnipeg Electric Makes Good Showing—Outlook for Riordon Pulp Exceedingly Bright**

**Collingwood Shipbuilding Co.**—At the annual meeting of the company at Collingwood, Ont., on March 5th, 1920, the following were elected to the directorate: H. B. Smith, S. Dymont, J. W. Norcross, R. M. Wolvin, H. W. Cowan, F. S. Izard and J. S. Leitch, the latter succeeding Capt. Alexander McDougall, of Duluth, resigned. At a subsequent meeting H. B. Smith was re-elected president, Messrs. Norcross and Wolvin, vice-presidents, and S. H. Lindsay, secretary-treasurer. John S. Leitch now occupies the position of managing director.

**Canada Iron Foundries, Ltd.**—The common and preferred shares of the company were called on the Montreal Stock Exchange for the first time on March 17th. The preferred, it is understood, is to be placed on a 4 per cent. dividend basis in the near future, disbursements being made to shareholders at the rate of 2 per cent. semi-annually. Of the authorized preferred issue of \$4,500,000, there is outstanding at the present time \$3,965,800 par value. The common capitalization authorized is \$1,800,000, of which all has been issued. Both stocks were changed from a par value of \$10 to \$100 in the capital adjustment of the enterprise, effected some time ago.

**Winnipeg Electric Railway Co.**—The financial statement of the company, which was presented to shareholders at the annual meeting on March 12th last, showed gross earnings of \$4,343,118, an increase of \$695,756 over the previous year. Operating expenses, fixed charges, depreciation, etc., totalled \$4,246,813. There has been a heavy increase in wages and other operating expenses, but notwithstanding this, the net revenue shows an increase of \$8,971 over the previous year.

At the annual meeting of the company on March 10th the following directors were re-elected: Sir Augustus Nanton, A. W. McLimont, F. Morton Morse, G. V. Hastings, Hugh Sutherland, J. D. McArthur, G. W. Allan, W. J. Bulman and W. R. Bawlf. The officers are: Sir Augustus Nanton, president; A. W. McLimont, vice-president and general manager; F. Morton Morse, secretary; J. S. Mackenzie, treasurer; L. Palk, assistant secretary.

**King Edward Hotel Co.**—The report of the company as of December 31st, 1919, covers the full calendar year, and in consequence, includes the first three months of the year covered by the statement at the last meeting. The operations for the year resulted in a net profit of \$126,111 after providing for all costs of operation, bond interest, taxes, manager's commission, rates and depreciation.

Two dividends of 5 per cent. each were paid on the common stock in 1919, and a further dividend of 5 per cent. will be paid on April 1st next. During the year 151,004 guests were registered, and a daily average of 319 rooms were occupied. Alterations and improvements in the present buildings have been carried on steadily, resulting in an expenditure of \$199,759. The balance sheet shows current assets of \$221,751, and current liabilities of \$198,522. Reserve for depreciation is \$95,015, and total assets are \$2,845,143.

Directors are as follows: Frank A. Dudley, F. W. Rockwell, B. M. Johnston, representing the United Hotel Co., and the following from Toronto: J. R. L. Starr, J. H. Spence, George H. O'Neil and C. E. Calvert.

**Porto Rico Railways Co., Ltd.**—Gross earnings for the year 1919 amounted to \$1,129,782, an increase of \$93,827, as compared with the previous year. The net income was \$459,543, as compared with \$446,629 in 1918.

First mortgage bonds to the amount of \$48,000 were purchased and delivered for cancellation, the total so far

being redeemed being \$452,000. Expenditures on capital account during the year amounting to \$174,853 were paid out of earnings. After providing for interest charges and dividends on the preferred stock, the surplus earnings amounted to \$195,659. This, with the undistributed profits at the end of 1918, \$203,513, made a total of \$399,172 for distribution. From this, \$100,000 was transferred to reserve for depreciation, \$10,000 to income tax reserve, and \$289,172 carried forward. The assets of the company now amount to \$8,311,413, of which current assets are \$261,870, against current liabilities of \$114,573.

In his report president D. E. Thomson said: "Operating expense during the year was excessive beyond all former experience. The causes were higher wages, higher prices for materials and supplies, and drought during parts of March and April, and again in November, compelling resort to steam plant operation at a loss of over \$30,000."

**Holt-Renfrew Co., Ltd.**—The annual financial statement of the company, just made public, shows that profits from operations for the year ended January 31st, 1920, after deducting general selling and administrative expenses, amounted to \$403,592. From this is deducted \$43,912 for depreciation, \$7,875 bond interest and \$42,832 other interest, leaving a balance of \$308,973. From this is deducted approximate profit for the period ending July 1st, 1919, when the present company took over the business, transferred to reserve for contingency and for government taxes accrued up to that date, \$100,000, leaving a balance available on the preferred stock of \$208,974, out of which was paid \$35,000, being dividend on the preferred shares for the half-year ending December 31st, 1919. This left a balance to be carried forward to credit of the 1920 profit and loss account of \$173,974.

The balance sheet shows total current assets of \$2,109,654 and current liabilities of \$938,167, leaving net working capital at the end of the year at \$1,071,487.

**Canadian Pacific Railway.**—The annual statement of the company for 1919, just made public, shows earnings at the rate of 10.80 per cent. on the \$200,000,000 outstanding common stock. The report showed the following results: Gross earnings, from railway and lake steamers, \$176,929,060; working expenses, \$143,996,024. Net earnings from railway and lake steamers, \$32,933,036. Deduct fixed charges, \$10,161,510. Surplus, \$22,771,526. Deduction for pension fund, \$500,000. Net revenue, from earnings of railway and lake steamers available for dividends, \$22,271,526. After payments of all dividends declared for year, the surplus from earnings of railway and lake steamers is \$844,250. Special income for year, after making allowances for contingent reserves, \$9,049,342.

Although gross earnings from railway lines and inland steamers were the highest in the history of the company, aggregating \$176,929,060, an increase of nearly \$20,000,000 over 1918, working expenses increased by almost \$21,000,000, or equal to an excess of 17 per cent. After fixed charges and preferred dividend requirements were met, and a contribution of \$500,000 made to pension fund, there remained in the general revenue account a balance of \$19,044,250. After common dividend disbursements were made, there remained a surplus from the year's operation of railway and inland steamers of \$844,250, compared with \$2,203,621 in 1918 and \$12,420,915 in 1917.

**Riordon Pulp and Paper Co.**—The annual financial statement of the company for the year ended December 31st, 1919, shows gross earnings of \$1,810,126, as compared with \$1,443,046 in 1918, an increase of \$367,080. After all charges