Investments and the Market

New Brunswick Power Company's Valuation Lower—Good Year for Intercolonial Coal — American Book Sales Profits Increased — Dominion Canners Sales Up $2,000,000—Offer for Controlling Interest in Black Lake Asbestos

New Brunswick Power Co.—The Supreme Court of Appeal, in a judgment handed down recently at Fredericton, N.B., reduced the property valuation of January 1st, 1919, from $2,800,000 to $2,577,665. The reduced amount does not take into account any allowance for depreciation, nor does it include any amount representing the proposed water-power development on the Lepreau and Magaguadavic Rivers, or any amount representing working capital, including materials and supplies. In commenting on the working capital, the judgment remarks that the amount to be allowed or included should not be in excess of the financial needs of the company in carrying on the railway and gas services, and that the amount thus ascertained should be included only to the extent that it had been furnished by the company.

British Columbia Packers' Association.—The balance sheet of the company as at December 31st, 1919, shows a surplus of $1,465,802. Reserves were $751,614, and contingent liabilities $226,074. Total assets amounted to $4,548,025, included in which are: Real estate and buildings, less depreciation, $2,462,648; inventories, $628,330; accounts and bills receivable, $189,961; cash on hand and in banks, $223,962.

The British Columbia Fishing and Packing Co., whose assets consist of 21,411 shares of the association, valued at $4,282,200, will hold its annual meeting on March 30th, 1920. During the year the company operated successfully in British Columbia twenty-four salmon canneries, a cold storage plant, a mild-curing establishment and a sawmill. Dividends have been paid to the amount of $234,881, the rate having been raised from 5 to 6 per cent. last August.

Dominion Steel Foundries and Steel Co.—The annual meeting of shareholders was held in Hamilton, Ont., on March 10th. The annual report submitted, showed that the earnings for the year were $654,000, as compared with $1,228,614 reported a year ago, and the prospects were very bright. The company has many orders on hand, and is making large additions to its plant. The company has $712,000 in cash, a plant valued at $2,000,000, and $651,000 in its investment fund. There is no bonded indebtedness. After deducting $57,600, equal to 8 per cent., on the outstanding preferred stock, a balance of $596,400 remained, equal to approximately 24 per cent. on the common stock. During the past year dividends totalling 15 per cent. were paid on the common stock. A large new plate mill is being constructed at Hamilton, which should be in operation before the end of the current year.

Intercolonial Coal Mining Co., Ltd.—According to the annual report, submitted at the meeting of shareholders in Montreal last week, profits for the year 1919 amounted to $152,499, an increase of $2,000, compared with the previous year, but a decrease of $30,000 as compared with the 1917 figure. After all deductions, which included increased allowances for depreciation, provision for income tax and preferred dividends, involving some $25,000 more than in 1918, the balance for application to the common stock amounted to $58,464, against $77,280 last year. This showing represented earnings on the common at the rate of 11.7 per cent., compared with 15.45 per cent. a year ago, and, approximately, 20 per cent. in 1917, the lower ratio being due almost directly to the greater disbursements among common and preferred shareholders and the necessity for greater income tax allowance.

When all deductions were made there remained a surplus from the year's operations to carry into the current year's account an amount of $10,644, bringing the total standing to the credit of profit and loss account up to $254,831.

Dominion Canners, Ltd.—Profits of the company for 1919, before deducting bond interest, but after paying for the business profits war tax, were $819,823, as compared with $745,324 in 1918. Sales were approximately $2,000,000 greater than in the previous year. After paying bond interest of $99,797 and dividends of 7 per cent. on the preferred stock, amounting to $160,342, the company was enabled to add to the profit and loss account the sum of $559,683, as compared with $481,883, making the undivided balance now $2,031,905. In addition, there is a reserve for insurance of $150,000.

The directors decided against paying a dividend on the common stock, although after bond interest, dividends on the preferred, etc., had been paid there was left $559,000, or enough to pay about 18 or 19 per cent. on the common stock. The reason for this decision was that, with the cost of everything about doubled, the directors felt that they needed this money for the company's operations.

The following directors were elected at the annual meeting in Hamilton last week: President, J. J. Nairn; vice-president and general manager, R. L. Innes; W. R. Drynan, secretary-treasurer; F. R. Lalor and S. Nesbitt.

American Sales Book Co., Ltd.—The annual meeting of the company was held in Toronto on March 10. President S. J. Moore announced that in future the dividends would all be paid in American funds, which will give shareholders in Canada a premium on their share of the distribution. The number of shares held in Canada and the United States are about equally divided, while a small quantity is also held in Great Britain. There are 12¼ per cent. of arrears on preferred, and it is expected that the payment of these will be commenced in the near future, dependent on the general financial situation.

The annual report presented, showed profits of $427,237, an increase of $110,921 over the previous year. Dividends on preference stock at 7 per cent., per annum, amounted to $215,131. The profit and loss account balance carried forward was $270,851.

The balance sheet showed total assets of $5,369,800, the principal items being: Plant, machinery and equipment, $1,220,837; investment in other companies, $158,503; patents and goodwill, $2,524,563; accounts receivable, $515,942; cash on hand and in bank, $58,929. Under liabilities, reserves amount to $579,073, and accounts payable, $286,405.

Hollinger Consolidated Gold Mines, Ltd.—Net profits of the company for the year ended December 31st, 1919, amounted to $2,321,290, as compared with $2,588,863 for the previous year. The tonnage milled yielded $6,722,266, which, with other income, made a total of $7,063,099. Working expenses, taxes, depreciation and donations took $4,741,809, leaving the net profit as above, out of which was paid $1,722,000 in dividends and $599,863 added to surplus account.

"The demand for gold, to provide an adequate backing for the highly inflated issue of paper money now outstanding, already great, becomes daily more insistent," says Mr. N. A. Timmins, the president, in his report. "We are ready to supply this demand and to add to the gold reserves of Canada to the fullest extent of our ability and the capacity of the mine, but, before we can do so, the disadvantages from which the gold mining industry has suffered since the commencement of the war must be improved or entirely removed. There must also be a more abundant supply of