

TWENTY-FIFTH

# Annual Report

OF THE

## Winnipeg Electric Railway Company



NINETEEN - SEVENTEEN

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*DIRECTORS:*

SIR WM. MACKENZIE, *President*

SIR AUGUSTUS M. NANTON, *Vice-President*

F. MORTON MORSE, *Secretary-Treasurer*

SIR D. D. MANN

D. B. HANNA

G. V. HASTINGS

HUGH SUTHERLAND

R. J. MACKENZIE

J. D. McARTHUR

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A. W. McLIMONT, *General Manager*

THE  
ANNUAL REPORT  
OF  
THE WINNIPEG ELECTRIC RAILWAY  
COMPANY FOR THE FISCAL YEAR  
ENDED THIRTY-FIRST OF DECEMBER  
NINETEEN-SEVENTEEN

*Submitted at the Twenty-fifth Annual Meeting  
held on the Eighteenth day of March,  
Nineteen-eighteen*

# REPORT OF THE PRESIDENT AND DIRECTORS

*For the Year ended December 31st, 1917*

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To THE SHAREHOLDERS:

Your Directors beg to submit statement of the operations for the year ended 31st December, 1917, as follows:—

Gross Earnings from Operations.....	\$3,339,009.89
Operating Charges, exclusive of depreciation..	2,143,512.73
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Net Operating Revenue .....	1,195,497.16
Miscellaneous Income.....	47,877.62
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Gross Income available to meet fixed charges, etc.....	1,243,374.78

From which the following Deductions are made:

Interest Charges on Deben- ture Stock, Bonds, etc.....	\$649,050.97
City's percentage, Taxes, etc..	209,064.45
Other Charges.....	31,629.71
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Net Income as shewn on Accounts sub- mitted herewith, excluding Depre- ciation.....	\$ 353,629.65

The Net Income, on the same method of accounting, shows a decrease of \$151,621.80 compared with last year, notwithstanding the fact that the Gross Revenues for the year under review show an increase of \$27,840.20 over the previous year. This is a disappointing statement, but so long as the materials required by your Company in its

operations continue to increase in price and demands for increased rates of wages to employees predicated on higher cost of living have to be met, and the jitney question remains unsettled, no substantial improvement in Net Income can be expected. Your Directors believe, however, that the sentiment of the citizens of Winnipeg is favorable to a permanent settlement of the vexed question, and it will be the duty of your Board to endeavor during the present year to so adjust any outstanding differences between the City and the Company that the jitney and other matters may be speedily and satisfactorily arranged to all interests concerned.

General business conditions in the City of Winnipeg are improving, and if a satisfactory adjustment of the jitney question is reached at an early date, arrangements will be made to carry out certain improvements in the physical properties which have engaged your Directors' attention for some time.

Respectfully submitted.

WM. MACKENZIE,  
*President.*

## AUDITORS' REPORT

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TO THE SHAREHOLDERS,  
WINNIPEG ELECTRIC RAILWAY COMPANY,  
WINNIPEG, CANADA.

We have audited the accounts of the Winnipeg Electric Railway Company for the year ended December 31, 1917, and have compared them with the accompanying Balance Sheet and Income Account, which are in accordance with the books. In our opinion the Balance Sheet is properly drawn up so as to present a true and correct statement of the affairs of the Company as at December 31, 1917, and the Income Account correctly reflects the results of the operations for the year ended that date. The allowance made for depreciation has been provided in accordance with the reports of the J. G. White Engineering Corporation.

MARWICK, MITCHELL, PEAT & CO.,  
*Chartered Accountants.*

Winnipeg, February 23, 1918.

# WINNIPEG ELECTRIC RAILWAY

*As at 31st*

## ASSETS

PHYSICAL PROPERTIES at Reproduction Cost as Appraised by  
The J. G. White Engineering Corporation, as of December  
31, 1916, and Additions since..... \$24,653,160.39

### SINKING FUND:

Investment.....	\$123,072.06
Cash.....	66,480.68
	<hr/>
	189,552.74

### ADVANCES TO AND STOCK HELD IN SUBSIDIARY COMPANIES AT COST.....

1,861,975.65

### CURRENT ASSETS:

Cash in Bank and on Hand.....	\$ 37,888.15
Cash in Bank—Special Account.....	130,873.00
Consumers' and other Accounts Receivable, less Reserve for Doubtful Accounts.....	150,613.79
Deposit with Workmen's Compensation Board.....	5,055.96
Materials and Supplies.....	311,030.43
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	635,461.33

### PREPAID AND DEFERRED CHARGES.....

132,888.90

TOTAL .....

\$27,473,039.01

# COMPANY—BALANCE SHEET

December, 1917

## LIABILITIES

### CAPITAL:

Authorized—100,000 Shares Common Stock of \$100.00 each..... \$10,000,000.00

Issued—90,000 Shares Common Stock of \$100.00 each..... 9,000,000.00

DEBENTURE STOCK:  
£900,000, 4½% Perpetual Consolidated (Total issue  
£1,300,000)..... 4,380,000.00

NOTE—£400,000 is pledged with Trustees to secure 6%  
Gold Notes in amount of \$1,500,000.00.

### FUNDED DEBT:

#### Bonds:

5% First Mortgage Bonds, Winnipeg Electric Street  
Railway Company, redeemable January 1, 1927..... \$1,000,000.00

First Refunding Mortgage

30 Year 5% Sinking

Fund Gold Bonds, re-

deemable January 1,

1935.....

\$5,000,000.00

Less:

Held in escrow to re-  
deem Winnipeg Elec-  
tric Street Railway  
Company Bonds..... \$877,500.00

Held by Sinking  
Fund Trustees..... 122,500.00

1,000,000.00

4,000,000.00

#### Gold Notes 6%:

Due January 15, 1918 and 1919..... 1,500,000.00 6,500,000.00

### CURRENT AND ACCRUED LIABILITIES:

Notes Payable to Bankers, partly secured by Under- lying Bonds.....	\$1,446,000.00
Accounts Payable.....	104,246.66
City Percentage and Car License.....	105,777.80
City of Winnipeg Taxes.....	184,490.73
Wages Payable.....	67,577.38
Consumers' Security Deposits.....	46,830.18
Unredeemed Tickets.....	19,593.18
Other Liabilities.....	87,468.46
Accrued Interest Charges, etc.....	104,557.04
Bond Interest (Payable January 1, 1918).....	125,000.00
	2,291,541.43

### DEFERRED LIABILITY—PAVEMENT CHARGES PAYABLE IN INSTALMENTS. 1918-1934.....

687,585.82

### RESERVE FOR INJURIES AND DAMAGES, ETC.....

131,422.43

### ACCRUED DEPRECIATION.....

3,074,830.01

### SINKING FUND RESERVE.....

189,552.74

### SURPLUS.....

1,218,106.58

### CONTINGENT LIABILITY:

In respect of the Principal and Interest of the Bonds  
of the:

Winnipeg, Selkirk and Lake Winnipeg Railway  
Company..... \$1,400,000.00

Suburban Rapid Transit Company..... 500,000.00

On Demand Note of Winnipeg River Power Com-  
pany Limited..... 200,000.00

TOTAL..... \$27,473,039.01

WINNIPEG ELECTRIC RAILWAY COMPANY

INCOME ACCOUNT

*For Year ended December 31st, 1917.*

GROSS EARNINGS FROM OPERATIONS.....	\$3,339,009.89
OPERATING EXPENSES—Before charging depreciation .....	2,143,512.73
Net Operating Revenue.....	1,195,497.16
MISCELLANEOUS INCOME.....	47,877.62
Gross Income.....	1,243,374.78

DEDUCT:

Interest Charges on Debenture Stock, Bonds, Gold Notes, etc.....	\$649,050.97
Extinguishment of Discount on Securities .....	11,797.44
City Percentage and Car License.....	105,777.80
Taxes.....	103,286.65
Miscellaneous Non-operating Expenses.....	5,985.57
Other Income Deductions.....	13,846.70
	889,745.13

NET INCOME—Before charging depreciation	\$ 353,629.65
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DEDUCT—

DEPRECIATION.....	201,050.00
NET INCOME TRANSFERRED TO SURPLUS.....	\$ 152,579.65
SURPLUS BROUGHT FORWARD FROM 1916 AS ADJUSTED.....	1,125,526.93
NET INCOME FOR YEAR TRANSFERRED.....	152,579.65
	1,278,106.58
SINKING FUND APPROPRIATION.....	60,000.00
SURPLUS CARRIED FORWARD .....	\$1,218,106.58



