INTERNATIONAL SMELTING AND REFINING COMPANY

REPORT ON AUDIT

YEAR ENDED DECEMBER 31, 1943

Pogson, Peloubet & Co.,

Certified Public Accountants

N10108

I N D E X

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CERTIFIED PUBLIC ACCOUNTANTS

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NEW YORK

To the Board of Directors,
International Smelting and Refining Company,
25 Broadway,
New York 4, New York.

Dear Sirs:

We have made a general audit of the books and accounts of INTERNATIONAL SMELTING AND REFINING COMPANY for the year ended December 31, 1943, and present the various statements listed on the opposite page.

The accounts of the following wholly owned subsidiaries have not been consolidated with those of International Smelting and Refining Company in this report:

International Building Association,
whose operations are not an integral part
of the operations of the parent company, and

Afterthought Mines Corporation,
New Jersey Storage and Warehouse Company and
Raritan Terminal and Transportation Company,
which are not operating.

International Smelting and Refining Company is a 100% owned consolidated subsidiary of Anaconda Copper Mining Company. This report, while complete and inclusive for International Smelting and Refining Company, is principally a supplementary amplification of the report on audit of Anaconda Copper Mining Company and subsidiary companies. It shows the portion of the consolidated accounts of Anaconda Copper Mining Company relating to International Smelting and Refining Company on the same basis and under the same classifications as shown in the consolidated report, but in somewhat greater detail. In the consolidated accounts of Anaconda Copper Mining Company and subsidiary companies the investment of International Smelting and Refining Company in shares of National Tunnel and Mines Company (acquired in exchange for shares of Utah-Delaware Mining Company) has been reduced by $136,307.60 to reflect losses of Utah-Delaware Mining Company during the period of its inclusion in such consolidated accounts. This reduction has also been given effect to in this report as shown on pages 12 and 18.

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FINANCIAL

Summarized, the changes in financial condition during the year were as follows:

	At December 31, 1942	At December 31, 1943	Increase or decrease* in investment
Fixed assets, less reserves applicable thereto	$ 15,215,463.81	14,797,949.75	417,514.06*
Deferred charges	1,171,887.84	1,904,913.06	733,025.22
Current and other assets - net, except notes payable to Anaconda Copper Mining Company	6,973,384.04	6,531,752.67	441,631.37*
	23,360,735.69	23,234,615.48	126,120.21*
Reserves for workmen's compensation insurance	73,688.43	58,544.09	15,144.34*
Equity of Anaconda Copper Mining Company	$ 23,287,047.26	23,176,071.39	110,975.87*

The equity of Anaconda Copper Mining Company at December 31, 1943 is represented by:

Capital stock	$ 12,262,500.00
Debentures	8,000,000.00
Notes	2,500,000.00
Surplus	413,571.39
As above	$ 23,176,071.39

and represents investment in the following net assets:

Principal smelting, refining and manufacturing plants (details page 3)	$ 16,283,481.95
Securities of and advances to other companies, etc. (details pages 4 and 41)	6,892,589.44
As above	$ 23,176,071.39

The decrease in equity during the year 1943 is the result of the net loss

for the year, after provision of $297,642.94 for contingencies	$ 227,885.29
Advances to Afterthought Mines Company written off	24,900.30
	252,785.59
Less overaccrual of Federal income tax for the year 1942	141,809.72
Decrease, as above	$ 110,975.87

Changes in current position were as follows:

	December 31, 1942	December 31 1943	Increase or decrease*
Current assets	$ 9,774,403.63	10,219,504.30	445,100.67
Current liabilities	3,274,560.12	3,976,112.00	701,551.88
	$ 6,499,843.51	6,243,392.30	256,451.21*
Current ratio	3.0 to 1	2.6 to 1	

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OPERATIONS

Operations of International Smelting and Refining Company for the past three years compare as follows:

	Year 1941	Year 1942	Year 1943
Gross sales and earnings	$ 27,966,251.98	20,341,958.03	22,046,552.29
Gross profit on plant operations	$ 1,881,979.16	1,042,376.83	764,377.88
Income (loss*) from sundry investments	385,626.85	192,598.21	67,745.23*
	2,267,606.01	1,234,975.04	696,632.65
Interest paid to Anaconda Copper Mining Company on debentures and notes	612,418.37	596,875.00	596,875.00
Provision for Federal income taxes - estimated	537,400.00	180,700.00	30,000.00
Provision for contingencies			297,642.94
Investments in and advances to sundry companies written off	1,286,833.99	- -	- -
	2,436,652.36	777,575.00	924,517.94
Net Income (Loss*)	$ 169,046.35*	457,400.04	227,885.29*

Gross profit on operations of the various plants and departments of the company and income from sundry investments for the past three years together with the respective investment therein at December 31, 1943 are shown in the following summary:

GROSS PROFIT (LOSS*) ON PLANT OPERATIONS

	Year 1941	Year 1942	Year 1943	Investment at December 31, 1943
Tooele plant	$ 262,924.14	28,320.46	394,775.34*	5,352,314.51
Copper Canyon lease				1,153,358.68
Miami plant	10,037.81*	121,098.88	133,925.85	1,458,978.02
Lead refinery	150,472.95	36,773.18*	32,969.95	749,479.62
Zinc oxide department	279,320.46*	150,804.77*	90,618.19*	972,717.99
White lead department	67,435.97	19,177.67*	16,823.58*	606,957.16
Raritan refinery	1,823,117.56	1,203,389.23	1,216,453.14	7,696,560.47
Raritan secondary metals department	53,001.81*	- -	- -	- -
Raritan electro-sheet department	27,833.73	15,600.35*	34,409.58*	298,884.01
Not allocated (details page 42)	107,445.11*	88,075.77*	82,344.37*	2,005,768.51*
Gross profit on plant operations - as above	$ 1,881,979.16	1,042,376.83	764,377.88	16,283,481.95

Details of the above figures for 1943 are shown on the Balance Sheet and Income Account by departments on pages 13 and 14 respectively.

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INCOME (LOSS*) FROM SUNDRY INVESTMENTS

	Year 1941	Year 1942	Year 1943	Investment at December 31, 1943
Mountain City Copper Company, dividends	$ 365,733.50	219,440.10	- -	1,143,089.13
National Tunnel and Mines Company, interest	3,854.16	20,833.31	44,365.37	2,797,394.89
Walker Mining Company, interest	18,554.23	12,379.24	- -	200,000.00
Other investments and advances - net loss* (details page 41)	2,515.04*	60,054.44*	112,110.60*	2,752,105.42
Income (loss*) from investments - per page 3	$ 385,626.85	192,598.21	67,745.23*	6,892,589.44

Details of the above figures are shown on the Balance Sheet and Income Account by departments on pages 13 and 14 respectively.

INCOME FROM AND INVESTMENT IN SUBSIDIARIES

The investment, including net advances, of International Smelting and Refining Company in its four small wholly owned subsidiaries amounted to $183,556.26 at December 31, 1943 and combined net loss of such companies amounted to $17,623.33 for the year 1943 (details page 20). No dividends were received during 1943. Interest amounting to $3,707.24 was accrued during 1943 on advances to International Building Association.

Investment, including noncurrent advances, in subsidiaries not wholly owned by the company amounted to $4,910,235.00 at December 31, 1943 compared with $4,744,795.53 at December 31, 1942 as shown in the following table:

	December 31, 1942	December 31, 1943
Mountain City Copper Company	$ 1,143,281.33	1,143,281.33
National Tunnel and Mines Company:		
Investment	779,386.32	779,386.32
Advances	1,559,553.05	2,018,008.57
Walker Mining Company - advances	497,288.69	200,000.00
Other subsidiaries:		
Investments	702,495.93	702,495.93
Advances	62,790.21	67,062.85
	$ 4,744,795.53	4,910,235.00

Market values based on market quotations of securities which are quoted on various stock exchanges amounted to $3,319,614.38 at December 31, 1943 (details page 19) compared with $3,411,656.13 at December 31, 1942.

The company's share of the combined net loss of these subsidiaries amounted to $217,431.80 for the year 1943 (details page 18) as compared with a loss of $129,424.49 for the year 1942. A dividend of $219,440.10 was declared

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by Mountain City Copper Company in 1942. None was declared in 1943. Interest accrued on noncurrent advances amounted to $48,038.68 in 1943 as compared with $36,663.74 in 1942.

Advances to Walker Mining Company in excess of $200,000.00 at December 31, 1943 were reserved for by a charge of $297,642.94 to Reserve for contingencies.

STATEMENT OF FUNDS RECEIVED AND DISBURSED

Funds were made available to the company during the year as follows:		
Operating profit before deducting non-cash items and interest paid on debentures and notes payable to Anaconda Copper Mining Company (details below)	$ 1,428,613.93	
Increase in indebtedness to Anaconda Sales Company	957,129.86	
Decrease in accounts receivable (details page 6)	243,111.38	
Fixed assets disposed of	7,448.18	2,636,303.35
Funds were disbursed as follows:		
Increase in deferred items (details page 6)	601,022.98	
Interest paid on debentures and notes payable	596,875.00	
Increase in inventories (details page 6)	502,517.42	
Fixed assets purchased (details page 6)	322,997.92	
Decrease in current liabilities other than indebtedness to Anaconda Sales Company	112,768.26	2,136,181.58
Resulting in an increase in cash, including United States Treasury tax notes in the amount of $250,000.00 purchased during the year 1943		$ 500,121.77

Operating profit before deducting non-cash items and interest paid on debentures and notes payable to Anaconda Copper Mining Company

Net loss* per Income Account - page 11		$ 227,885.29*
Add back charges to income not requiring cash:		
Depreciation on deliveries (details page 17)	$ 682,755.97	
Provision for contingencies	297,642.94	
Options written off (details below)	78,372.46	
Sundry items - net	852.85	
	1,059,624.22	
Add back interest paid on debentures and notes payable to Anaconda Copper Mining Company	596,875.00	1,656,499.22
As above		$ 1,428,613.93

Options written off (Salt Lake City office)

H. B. Chessher option	$ 49,506.06
Iron Canyon option	18,762.82
D. F. Shovelin option	9,203.58
McDonald-Clarke option	900.00
As above	$ 78,372.46

Decrease in accounts receivable

Current:			
Accounts receivable - trade			$ 240,740.82
Accounts with affiliates			85,426.54
Accounts with subsidiaries not wholly owned, principally Mountain City Copper Company			224,385.29
Decrease in current receivables			550,552.65
Not current:			
Net increase in advances to subsidiaries not wholly owned:			
National Tunnel and Mines Company		$ 458,455.52	
Other subsidiaries not wholly owned - net		4,626.89	463,082.41
Increase in advances to subsidiaries wholly owned, principally International Building Association			29,539.02
			492,621.43
Less:			
Decrease in advances to Tooele Valley Railway Company	$ 20,000.00		
Decrease in installment land sales contracts	176.63	20,176.63	
Net decrease in advances to sundry companies and individuals (details page 32):			
Accounts collected	227,695.28		
Accounts written off	48,044.79		
	275,740.07		
Less advances trade	110,736.54	165,003.53	185,180.16
Net increase in receivables - not current			307,441.27
Net decrease, per page 5			$ 243,111.38

Increase in deferred items - net

Mine development:	
Guild Adams lease operations	$ 435,310.14
Victoria lease operations	87,835.84
Glacier Peak project operations	60,353.33
Copper Canyon operations	26,426.56
	609,925.87
Less decrease in other deferred items	8,902.89
Net increase, per page 5	$ 601,022.98

Increase in inventories - net

Metals and manufactured products - finished (details page 26)	$ 595,805.35
- in process	15,892.83
Supplies (decrease*)	109,180.76*
Net increase, per page 5	$ 502,517.42

Expenditures for fixed assets

Buildings and machinery:		
Guild Adams lease		$ 124,900.69
Tooele plant		115,307.79
Other plants		23,353.38
		263,561.86
Mines and mining claims and lands:		
Guild Adams lease	$ 49,095.96	
Sundry options and claims - Salt Lake City office	10,185.47	
Tooele plant	154.63	59,436.06
Total, per page 5		$ 322,997.92

DISTRIBUTION OF BALANCE SHEET AND INCOME ACCOUNT TO DEPARTMENTS

The detail schedules which support the Balance Sheet and Income Account by departments (pages 13 and 14 respectively) are presented in ten divisions, the eight principal operating departments:

1. Tooele plant,
2. Copper Canyon lease,
3. Miami plant,
4. Lead refinery,
5. Zinc oxide department,
6. White lead department,
7. Raritan refinery,
8. Raritan electro-sheet department, together with

a ninth division,

9. Investments and advances,

which includes the activities of the company other than the principal smelting, refining and manufacturing operations, and a tenth division,

10. Items not allocated to departments.

In making this rearrangement, the accounts of the company as shown on its various ledgers have been redistributed and allocated to the departments to which they apply, except for a few items for which there is no exact basis for allocation and which are shown separately in the last division mentioned above. Details of accounts which appear in the ninth and tenth divisions are shown on pages 41 and 42 respectively.

Land at East Chicago, and land, buildings and machinery, and reserve for depreciation at Perth Amboy have been allocated among the various departments on a basis believed to be approximately correct.

SCOPE OF AUDIT

We have made a general audit of the books and records of International Smelting and Refining Company and its subsidiary corporations for the calendar year ended December 31, 1943. In connection with our audit we examined or tested the accounting records of the company and its subsidiaries and other supporting evidence and made a general review of the accounting methods, including the system of internal check and control and of the operating and income accounts for the year, but we did not make a detailed audit of the transactions except in the case of Miami plant, which is not examined by the company's own internal auditors.

In the case of all other companies and departments we satisfied ourselves that International Smelting and Refining Company and all subsidiary companies were included in the scope of the work of the internal auditors of the company.

We examined into the sufficiency of the internal audit and examined the reports of the internal auditors.

Investments, securities, cash, notes receivable and payable, debentures and capital stock have been verified by inspection, certificate or correspondence and found in order.

Accounts receivable, where these are of material amount, were tested by selecting certain accounts for confirmation by direct communication with the debtors or, where possible, by direct comparison with the books and records of the debtors. The company's internal auditors have also verified the accounts receivable of certain departments by direct communication with the debtors and, while such confirmation by internal auditors cannot be substituted for a similar procedure by the company's independent auditors, it has been given full consideration in determining the nature and extent of our verification of accounts receivable. Trade and installment accounts receivable and advances to sundry mining companies were examined in detail and those considered bad or doubtful have been written off or have been provided for in reserve.

Certificates of responsible officials have been received certifying to the correctness of quantities, descriptions and ownership of inventories and we have made tests of the clerical accuracy of the inventories.

In accordance with what is now generally agreed to be accepted auditing procedure, our audit included physical tests of inventories. Inventories at all plants are not tested nor is a complete count made of inventories at any one plant. Inventories are not all tested at the close of the calendar year and the physical tests are in no way intended as a substitute for the taking of physical inventories by company employees. The purpose is to establish the existence of a proper system for taking and recording physical inventories and to satisfy ourselves that the systems are operating effectively and as planned. In the course of this work, a very substantial part (measured in money value) of the physical inventories is actually inspected by us. While this inspection is not our primary evidence of the existence and value of the inventories which must lie in the records of the company, it is of great value as a confirmation of the company's records and representations. Of stocks of metals and products held for the company or its subsidiaries by others or held by the company for the accounts of others a substantial part has been verified by direct communication. It is the general practice of the company's internal auditors to make

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physical tests from time to time of inventories of supplies and, while these tests cannot take the place of similar tests by independent auditors, they are given full consideration in determining the nature and extent of the tests made by us.

Fixed assets, including investments, are carried at cash cost or, in the case of properties acquired for securities of the company, at the original par value of such securities. The values of fixed assets are shown on this basis and do not indicate current values, which could be established only by current appraisals. All other assets are carried at cash cost.

We received during the year the usual courtesy from the officers and staff throughout the company.

Respectfully submitted,

Pogson, Peloubet & Co.

Certified Public Accountants

New York, June 26, 1944

INTERNATIONAL SMELTIN

COMPARATIVE

DECEMBER 31,

Page	ASSETS		December 31,
	FIXED ASSETS:		
15	Mines and mining claims and lands for metal producing and manufacturing plants		$:
16	Buildings and machinery at mines, reduction works, refineries and manufacturing plants	$ 26,933,935.00	
17	Less reserve for depreciation	18,609,946.15	ε
	Patents		
	Investments:		
18	Securities of subsidiaries - not wholly owned		ε
20	- wholly owned		
21	Other security investments		
	Indebtedness of subsidiaries - not current:		
19	Not wholly owned		2
20	Wholly owned		
			15
22	FUNDS PROVIDED BY GOVERNMENT AGENCY - expended or on hand		
	DEFERRED CHARGES:		
23	Mine development	1,073,887.26	
24	Prepaid expenses	67,180.14	
25	Deferred expenses	30,820.44	1
	CURRENT AND OTHER ASSETS:		
	Current assets:		
13	Supplies on hand	1,304,084.14	
13	Metals and manufactured products - in process	2,549,006.15	
26	- finished	3,412,698.56	
	Accounts and notes receivable:		
27	Trade, less reserve	1,744,937.65	
28	Affiliates	112,022.88	
29	Subsidiaries - not wholly owned - current	273,726.65	
	United States Government securities	- -	
30	Cash	377,927.60	9,
	Other assets:		
31	Installment land sales and other accounts receivable, less reserve	8,464.63	
32	Advances to sundry mining companies, including advances on ores, less reserve	347,200.55	
	Advances to Tooele Valley Railway Company	117,875.35	
			$ 26,

Page	LIABILITIES		
33	CAPITAL STOCK - issued and outstanding - 163,500 shares of the par value of $75.00 each		$ 12,
22	ADVANCES BY GOVERNMENT AGENCY		
34	RESERVE FOR WORKMEN'S COMPENSATION INSURANCE		
	CURRENT LIABILITIES:		
35	Accounts and wages payable	$ 1,330,363.81	
36	Accrued taxes	275,990.26	
28	Indebtedness - to affiliates	1,628,554.05	
29	- to subsidiaries - not wholly owned	18,937.09	
20	- wholly owned	20,714.91	3,:
37	DEBENTURES AND NOTES PAYABLE TO ANACONDA COPPER MINING COMPANY		10,:
12	SURPLUS		
			$ 26,(

INTERNATIONAL SMELTING AND REFINING COMPANY

COMPARATIVE BALANCE SHEET

DECEMBER 31, 1942 AND 1943

	December 31, 1942		December 31, 1943		Increase or decrease*	
ıd						
ıeries		$ 1,449,402.31		$ 1,268,615.68		$ 180,786.63*
	$ 26,933,935.00		$ 27,198,943.43		$ 265,008.43	
	18,609,946.15	8,323,988.85	19,280,760.20	7,918,183.23	670,814.05	405,805.62*
		1.00		1.00		- -
		2,625,163.58		2,625,163.58		
		43,000.00		42,000.00		1,000.00*
		496,890.36		496,890.36		- -
		2,119,631.95		2,285,071.42		165,439.47
		157,385.76		162,024.48		4,638.72
		15,215,463.81		14,797,949.75		417,514.06*
		- -		300,000.00		300,000.00
	1,073,887.26		1,830,959.71		757,072.45	
	67,180.14		70,833.39		3,653.25	
	30,820.44	1,171,887.84	3,119.96	1,904,913.06	27,700.48*	733,025.22
	1,304,084.14		1,194,903.38		109,180.76*	
	2,549,006.15		2,564,898.98		15,892.83	
	3,412,698.56		4,001,518.04		588,819.48	
	1,744,937.65		1,504,196.83		240,740.82*	
	112,022.88		26,596.34		85,426.54*	
	273,726.65		49,341.36		224,385.29*	
	- -		250,000.00		250,000.00	
	377,927.60	9,774,403.63	628,049.37	10,219,504.30	250,121.77	445,100.67
	8,464.63		8,288.00		176.63*	
ıs on	347,200.55		182,197.02		165,003.53*	
	117,875.35	473,540.53	97,875.35	288,360.37	20,000.00*	185,180.16*
		$ 26,635,295.81		$ 27,510,727.48		$ 875,431.67
' the		$ 12,262,500.00		$ 12,262,500.00		- -
		- -		300,000.00		300,000.00
		73,688.43		58,544.09		15,144.34*
	$ 1,330,363.81		$ 1,277,113.77		$ 53,250.04*	
	275,990.26		42,059.64		233,930.62*	
	1,628,554.05		2,589,406.55		960,852.50	
	18,937.09		47,063.82		28,126.73	
	20,714.91	3,274,560.12	20,468.22	3,976,112.00	246.69*	701,551.88
ıPANY		10,500,000.00		10,500,000.00		- -
		524,547.26		413,571.39		110,975.87*
		$ 26,635,295.81		$ 27,510,727.48		$ 875,431.67

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INTERNATIONAL SMELTING AND REFINING COMPANY

COMPARATIVE INCOME ACCOUNT

YEARS ENDED DECEMBER 31, 1942 AND 1943

Page		Year ended December 31, 1942		Year ended December 31, 1943		Increase or decrease*	
14	Sales and tolls		$ 20,341,958.03		$ 22,046,552.29		$ 1,704,594.26
	Other income:						
	Dividend from Mountain City Copper Company	$ 219,440.10		- -		$ 219,440.10*	
38	Interest received - net	47,451.86		64,637.59		17,185.73	
39	Miscellaneous income	19,854.36	286,746.32	11,182.71	75,820.30	8,671.65*	210,926.02*
			20,628,704.35		22,122,372.59		1,493,668.24
	Less:						
	Cost of sales	18,767,566.70		20,743,109.86		1,975,543.16	
17	Provision for depreciation	635,653.32		682,755.97		47,102.65	
40	Gain* on disposal or dismantlement of fixed assets	9,490.71*		125.89*		9,364.82	
37	Interest on debentures and notes payable to Anaconda Copper Mining Company	596,875.00		596,875.00		- -	
	United States income tax - estimated	180,700.00		30,000.00		150,700.00*	
	Provision for contingencies	- -	20,171,304.31	297,642.94	22,350,257.88	297,642.94	2,178,953.57
	Net income (loss*)		$ 457,400.04		$ 227,885.29*		$ 685,285.33*

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INTERNATIONAL SMELTING AND REFINING COMPANY

SURPLUS ACCOUNT

YEAR ENDED DECEMBER 31, 1943

Balance December 31, 1942	$ 524,547.26
Overaccrual of Federal income tax for the year 1942	141,809.72
Advances to Afterthought Mines Corporation written off	24,900.30*
Net loss* of the year 1943 - page 11	227,885.29*
Per Balance Sheet, December 31, 1943 - page 10	$ 413,571.39

Investment in National Tunnel and Mines Company in this report, as in the report on Anaconda Copper Mining Company and consolidated subsidiaries, has been reduced from the amount shown on the books of International Smelting and Refining Company by $136,307.60, the amount of the deficit of Utah-Delaware Mining Company on dissolution in 1937.

	Total - page 10	Elimir
A S S E T S		
FIXED ASSETS:		
Mines and mining claims and lands	$ 1,268,615.68	
Buildings and machinery	27,198,943.43	
Reserve for depreciation*	19,280,760.20*	
Patents	1.00	
Investments:		
Securities of subsidiaries:		
Not wholly owned	2,625,163.58	
Wholly owned	42,000.00	
Other security investments	496,890.36	
Indebtedness of subsidiaries - not current:		
Not wholly owned	2,285,071.42	
Wholly owned	162,024.48	
FUNDS PROVIDED BY GOVERNMENT AGENCY, expended or on hand	300,000.00	
DEFERRED CHARGES:		
Mine development	1,830,959.71	
Prepaid expenses	70,833.39	
Deferred expenses	3,119.96	
CURRENT ASSETS:		
Supplies on hand	1,194,903.38	
Metals and manufactured products:		
In process	2,564,898.98	
Finished	4,001,518.04	
Accounts and notes receivable:		
Trade, less reserve	1,504,196.83	
Affiliates	26,596.34	86.
Subsidiaries - not wholly owned - current	49,341.36	756.
United States Treasury tax savings notes	250,000.00	
Cash	628,049.37	
OTHER ASSETS:		
Installment land sales and other accounts receivable, less reserve	8,288.00	
Advances to sundry mining companies, including advances on ores, less reserve	182,197.02	
Advances to Tooele Valley Railway Company	97,875.35	
	$ 27,510,727.48	843.(
L I A B I L I T I E S		
ADVANCES BY GOVERNMENT AGENCY	$ 300,000.00	
RESERVE for workmen's compensation insurance	58,544.09	
CURRENT LIABILITIES:		
Accounts and wages payable	1,277,113.77	
Accrued taxes	42,059.64	
Indebtedness - to affiliates	2,589,406.55	86.2
- to subsidiaries - not wholly owned	47,063.82	756.7
- wholly owned	20,468.22	
	4,334,656.09	843.0
Net investment	$ 23,176,071.39	-
CAPITAL STOCK	$ 12,262,500.00	
SURPLUS	413,571.39	
	12,676,071.39	
DEBENTURES AND NOTES PAYABLE TO ANACONDA COPPER MINING COMPANY	10,500,000.00	
As above	$ 23,176,071.39	

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	Total - page 10	Eliminations*	Tooele plant	Copper Canyon lease	Miami plant	Lead refinery	Zinc depa
	$ 1,268,615.68		356,320.52		56,419.72	130,665.27	22,
	27,198,943.43		7,855,569.02		3,103,550.21	1,153,825.51	628,
	19,280,760.20*		6,296,661.41*		3,103,550.21*	810,539.46*	469,
	1.00					1.00	
	2,625,163.58						
	42,000.00						
	496,890.36			8,600.00			
ent:							
	2,285,071.42						
	162,024.48						
led or on hand	300,000.00		250,000.00		50,000.00		
	1,830,959.71			1,063,760.88			
	70,833.39		10,126.11	5,177.74	13,279.21	11,575.61	
	3,119.96		3,119.96				
	1,194,903.38		432,920.20	58,085.83	122,358.19	89,659.06	32,
	2,564,898.98		1,351,104.70		460,619.01	311,708.76	405,
	4,001,518.04		1,423,915.26		59,176.95	131,924.26	290,
	1,504,196.83		255,482.44	10,032.91	838,315.03	16,711.80	38,
	26,596.34	86.29*		86.29			7,
nt	49,341.36	756.71*	34,055.07				
	250,000.00						
	628,049.37		232,609.12	1,017.02	7,242.79	9,489.54	25,
s receivable, less	8,288.00		8,288.00				
luding advances on	182,197.02		149,627.51	32,569.51			
y	97,875.35						
	$ 27,510,727.48	843.00*	6,066,476.50	1,179,330.18	1,607,410.90	1,045,021.35	980,6
	$ 300,000.00		250,000.00		50,000.00		
ce	58,544.09		31,305.05			7,808.90	7,9
	1,277,113.77		343,511.00	15,571.14	78,888.55	280,538.03	
	42,059.64		25,461.86	9,128.16	19,516.88	6,970.88	
	2,589,406.55	86.29*	17,527.95		27.45	223.92	
ly owned	47,063.82	756.71*	46,356.13	1,272.20			
wned	20,468.22						
	4,334,656.09	843.00*	714,161.99	25,971.50	148,432.88	295,541.73	7,9
	$ 23,176,071.39	- -	5,352,314.51	1,153,358.68	1,458,978.02	749,479.62	972,7
	$ 12,262,500.00						
	413,571.39						
	12,676,071.39						
OPPER MINING COMPANY	10,500,000.00						
	$ 23,176,071.39						

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Details of total

Miami plant	Lead refinery	Zinc oxide department	White lead department	Raritan refinery	Raritan electro-sheet department	Investments and advances - details page 41	Items not allocated to departments - details page 42
5,419.72	130,665.27	22,073.16	13,243.90	409,751.25	4,349.45	275,792.41	
3,550.21	1,153,825.51	628,529.17	789,724.32	13,140,610.43	393,328.28	133,806.49	
3,550.21*	810,539.46*	469,160.10*	580,531.02*	7,909,306.99*	111,011.01*		
	1.00						
						2,625,163.58	
						42,000.00	
						488,290.36	
						2,285,071.42	
						162,024.48	
0,000.00							
3,279.21	11,575.61			28,458.07		767,198.83	
						2,216.65	
2,358.19	89,659.06	32,044.20	22,579.77	399,064.92		38,191.21	
0,619.01	311,708.76	405,592.43		35,874.08			
9,176.95	131,924.26	290,677.72	323,191.85	1,753,826.81	18,805.19		
3,315.03	16,711.80	38,489.86	40,971.93	296,954.47		3,867.72	3,370.67
		7,409.62		19,186.72			
				16,043.00			
							250,000.00
7,242.79	9,489.54	25,000.00		79,054.46		5,567.92	268,068.52
						97,875.35	
7,410.90	1,045,021.35	980,656.06	609,180.75	8,269,517.22	305,471.91	6,927,066.42	521,439.19
,000.00							
	7,808.90	7,938.07	1,592.26	9,899.81			
3,888.55	280,538.03			537,052.57	6,587.90	12,206.55	2,758.03
9,516.88	6,970.88			24,592.00		1,610.01	45,220.15*
27.45	223.92		631.33	1,412.37			2,569,669.82
						192.20	
						20,468.22	
,432.88	295,541.73	7,938.07	2,223.59	572,956.75	6,587.90	34,476.98	2,527,207.70
,978.02	749,479.62	972,717.99	606,957.16	7,696,560.47	298,884.01	6,892,589.44	2,005,768.51*

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	Total - page 11	Inter-department elimination	Tooele plant	Miami P
Sales of copper	$ 1,670,949.33		1,194,854.15	225,7
zinc	255,281.18	50,088.22*		
lead	2,750,231.39	538,469.17*	2,973,509.01	
silver	2,821,635.87		1,818,182.34	241,6
gold	1,904,877.19		985,551.06	125,6
miscellaneous metals	333,895.51		68,287.10	
zinc oxide	892,328.99	116.00*		
white lead	883,913.99	188.55*		
electro-sheet copper	22,242.33			
residue, ores, etc.	1,472,274.46	14,407.93*	1,354,787.33	
Premium payment on production in excess of quota	366,826.49		366,826.49	
Tolls	8,672,095.56	2,096,253.03*	820,534.57	2,589,8
Sales and tolls	22,046,552.29	2,699,522.90*	9,582,532.05	3,182,9
Cost of sales	20,743,109.86		9,045,206.09	1,683,61
Interdepartment	- -	2,699,522.90*	726,313.15	1,367,0
	20,743,109.86	2,699,522.90*	9,771,519.24	3,050,6
(Income or loss*)	1,303,442.43		188,987.19*	132,2
Provision for depreciation and loss (or gain#) on disposal or dismantlement of fixed assets	682,630.08		215,799.73	
Income or loss* from operations	620,812.35		404,786.92*	132,2
Other income:				
Interest received - net	64,637.59		10,011.58	3
Miscellaneous income	11,182.71			1,6
	75,820.30		10,011.58	1,6
(Income or loss*)	696,632.65		394,775.34*	133,92
United States income tax - estimated	30,000.00			
(Income or loss*)	666,632.65		394,775.34*	133,92
Interest on debentures and notes payable to Anaconda Copper Mining Company	596,875.00			
Provision for contingencies	297,642.94			
	894,517.94			
Net income or loss*	$ 227,885.29*		394,775.34*	133,92

Details of total

	Lead refinery	Zinc oxide department	White lead department	Raritan refinery	Raritan electro-sheet department	Investments and advances - page 41	Items not allocated to departments - page 42
30				250,302.68			
		305,369.40					
	315,191.55						
70	562,740.54			199,020.29			
49	437,901.28			355,785.36			
	3,172.55			262,435.86			
		892,444.99					
			884,102.54				
					22,242.33		
	184.04	131,711.02					
53	395,792.44			6,962,199.05			
22	1,714,982.40	1,329,525.41	884,102.54	8,029,743.24	22,242.33		
32	1,575,971.03	1,380,720.55	334,567.71	6,463,013.05	52,805.76	124,860.17	82,353.68
49	67,632.82	4,865.53	533,647.91				
31	1,643,603.85	1,385,586.08	868,215.62	6,463,013.05	52,805.76	124,860.17	82,353.68
91	71,378.55	56,060.67*	15,886.92	1,566,730.19	30,563.43*	124,860.17*	82,353.68*
	38,408.60	34,557.52	32,712.32	359,345.76	3,846.15	2,040.00#	
91	32,969.95	90,618.19*	16,825.40*	1,207,384.43	34,409.58	122,820.17*	82,353.68*
06*			1.82			54,652.94	9.31
00				9,068.71		422.00	
94			1.82	9,068.71		55,074.94	9.31
35	32,969.95	90,618.19*	16,823.58*	1,216,453.14	34,409.58*	67,745.23*	82,344.37*
							30,000.00
5	32,969.95	90,618.19*	16,823.58*	1,216,453.14	34,409.58*	67,745.23*	112,344.37*
							596,875.00
						297,642.94	
						297,642.94	596,875.00
35	32,969.95	90,618.19*	16,823.58*	1,216,453.14	34,409.58*	365,388.17*	709,219.37*

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MINES AND MINING CLAIMS AND LANDS

	Balance December 31, 1942	Additions	Other changes add or deduct* - see note below	Balance December 31, 1943
Lands for metal-producing plants:				
Tooele plant	$ 353,665.89			353,665.89
Miami plant	56,191.60			56,191.60
Lead refinery	130,665.27			130,665.27
Raritan refinery	409,751.25			409,751.25
	950,274.01			950,274.01
Lands for manufacturing plants:				
Zinc oxide department	22,073.16			22,073.16
White lead department	13,243.90			13,243.90
Raritan electro-sheet department	4,349.45			4,349.45
	39,666.51			39,666.51
Other lands:				
Tooele	2,500.00	154.63		2,654.63
Miami	228.12			228.12
	2,728.12	154.63		2,882.75
Total lands	992,668.64	154.63		992,823.27
Mines and mining claims:				
Investments and advances:				
Salt Lake City office	436,675.13	10,185.47	284,764.92*(1)	162,095.68
Miami	20,058.54			20,058.54
Guild-Adams lease	- -	49,095.96	44,542.23	93,638.19
	456,733.67	59,281.43	240,222.69*	275,792.41
Per Balance Sheet - page 10	$ 1,449,402.31	59,436.06	240,222.69*	1,268,615.68

NOTE 1 - Mines and mining claims sold:

New York - Bonanza group claims		$ 5,797.85
Options written off (details page 5)		78,372.46
Transferred to Guild-Adams lease:		
Mines and mining claims (as above)	$ 44,542.23	
Mine development (see page 23)	147,146.58	
Buildings, machinery and equipment (see page 18)	8,905.80	200,594.61
As above		$ 284,764.92

BUILDINGS AND MACHINERY

	Balance December 31, 1942	Construction	Deduct* sales and dismantlements - details page 40	Other changes add or deduct*	Balance December 31, 1943
Tooele plant	$ 7,741,861.23	115,307.79	1,600.00*		7,855,569.02
Miami plant	3,103,550.21				3,103,550.21
Lead refinery	1,152,877.35	5,828.65	4,880.49*		1,153,825.51
Zinc oxide department	627,766.86	762.31			628,529.17
White lead department	787,125.13	2,599.19			789,724.32
Raritan refinery	13,127,425.94	14,163.23		978.74*(1)	13,140,610.43
Raritan electro-sheet department	393,328.28				393,328.28
Investments and advances - Guild Adams lease.	- -	124,900.69		8,905.80 (2)	133,806.49
Per Balance Sheet - page 10	$ 26,933,935.00	263,561.86	6,480.49*	7,927.06	27,198,943.43

NOTE 1 - Depreciation of automotive equipment written off.

NOTE 2 - Transferred from Mines and mining claims and lands. (See page 15.)

RESERVE FOR DEPRECIATION

	Balance December 31, 1942	Depreciation on 1943 operations - details below	Deductions* for sales and dismantlements - page 40	Balance December 31, 1943
Tooele plant	$ 6,082,820.24	215,295.63	1,454.46*	6,296,661.41
Miami plant	3,103,550.21			3,103,550.21
Lead refinery	777,560.06	36,480.99	3,501.59*	810,539.46
Zinc oxide department	440,504.94	28,655.16		469,160.10
White lead department	548,829.11	31,701.91		580,531.02
Raritan refinery	7,549,516.73	359,790.26		7,909,306.99
Raritan electro-sheet department	107,164.86	3,846.15		111,011.01
Per Balance Sheet - page 10	$ 18,609,946.15	675,770.10	4,956.05*	19,280,760.20

Details of depreciation on 1943 operations

	Depreciation applicable to 1943 operations - as above						Depreciation applicable to inventory		Depreciation applicable to 1943 sales - per Income Account - page 11
	Straight-line method		Production method						
	Cost	Rate	Quantity	Rate	Amount		December 31, 1942	December 31, 1943	
Tooele plant:									
Lead plant			47,660,885	pounds .131¢	$ 62,435.76		14,264.64	14,191.54	62,508.86
Sulphide concentrator			98,466.294	tons 22.500¢	22,154.92				22,154.92
Oxide concentrator	$ 617,706.09	5%			30,885.30				30,885.30
Slag plant	523,936.24	20%(2)			98,760.72				98,760.72
Automotive equipment	2,518.16	25%			775.01(1)				775.01
Ranch buildings					283.92				283.92
						215,295.63	14,264.64	14,191.54	215,368.73
Lead refinery			38,627.865	tons 89.000¢	34,378.80				
Furniture and fixtures	18,934.76	5% to 20%(3)			2,102.19	36,480.99			36,480.99
Zinc oxide department	627,952.09	4.563%				28,655.16	5,902.36		34,557.52
White lead department:									
White lead			9,989,519	pounds .215¢	21,477.47		10,234.29	9,223.88	(22,487.88
Betts refinery			5,406,628(4)	pounds .189	10,224.44	31,701.91			(10,224.44
Raritan refinery			179,895.132	tons $2.00		359,790.26			359,790.26
Raritan electro-sheet department			256,709	pounds 1.500¢		3,846.15			3,846.15
Per Income Account, year ended December 31, 1943 - page 11						$ 675,770.10	30,401.29	23,415.42	682,755.97

NOTE 1 - Includes $145.47 adjustment for prior years.
2 - Accrued on monthly balances.
3 - Rate based on remaining life expectancy.
4 - Represents pounds of lead anodes corroded.

INVESTMENT IN SECURITIES OF SUBSIDIARIES NOT WHOLLY OWNED

	Shares	Par value	Amount	Equity in income or loss* Year 1943
Mountain City Copper Company	1,462,934	$ 73,146.70	$ 1,143,281.33	$ 88,628.69*
National Tunnel & Mines Company	328,200	no par	779,386.32	114,034.92*
Walker Mining Company	882,042	882,042.00	- -	19,336.95*
Other unconsolidated subsidiaries:				
Comet Coalition Mines Company	760,246	190,071.50	340,891.71	- -
Eureka Bullion Mining Company	756,000	37,800.00	187,923.49	- -
Mountain View Mining Company	728,420	72,842.00	68,806.23	4,773.82*
North Lily Mining Company	475,000	47,500.00	66,527.78	9,846.69
Victor Consolidated Mining Company	365,390	182,695.00	18,306.52	47.25*
Yankee Consolidated Mining Company	501,005	50,100.50	20,040.20	456.36*
			702,495.93	
				$ 217,431.80*
Per Balance Sheet, December 31, 1943 - page 10			$ 2,625,163.58	

Investment in National Tunnel and Mines Company in this report, as in the report on Anaconda Copper Mining Company and consolidated subsidiaries, has been reduced from the amount shown on the books of International Smelting and Refining Company by $136,307.60, the amount of the deficit of Utah-Delaware Mining Company on dissolution in 1937.

INVESTMENT IN AND INDEBTEDNESS OF SUBSIDIARIES NOT WHOLLY OWNED

	Investment - page 18	Indebtedness not current	Total	Market quotations December 31, 1943
Mountain City Copper Company	$ 1,143,281.33		1,143,281.33	2,194,401.00
National Tunnel & Mines Company	779,386.32	2,018,008.57	2,797,394.89	451,275.00
Walker Mining Company	- -	200,000.00	200,000.00	242,561.55
Comet Coalition Mines Company	340,891.71	39,745.40	380,637.11	66,521.53
Eureka Bullion Mining Company	187,923.49	21,780.68	209,704.17	96,390.00
Mountain View Mining Company	68,806.23	1,934.20	70,740.43	20,031.55
North Lily Mining Company	66,527.78		66,527.78	225,625.00
Victor Consolidated Mining Company	18,306.52		18,306.52	12,788.65
Yankee Consolidated Mining Company	20,040.20	3,560.26	23,600.46	10,020.10
	2,625,163.58	2,285,029.11	4,910,192.69	$ 3,319,614.38
Sundry indirect subsidiaries		42.31	42.31	
Per Balance Sheet, December 31, 1943 - page 10	$ 2,625,163.58	2,285,071.42	4,910,235.00	

Indebtedness not current	December 31, 1942	December 31, 1943	Increase or decrease*
National Tunnel & Mines Company	$ 1,559,553.05	2,018,008.57	458,455.52
Walker Mining Company	497,288.69	200,000.00	297,288.69*
Comet Coalition Mines Company	34,598.99	39,745.40	5,146.41
Eureka Bullion Mining Company	24,361.16	21,780.68	2,580.48*
Mountain View Mining Company	1,116.35	1,934.20	817.85
Yankee Consolidated Mining Company	2,655.76	3,560.26	904.50
Sundry indirect subsidiaries	57.95	42.31	15.64*
	$ 2,119,631.95	2,285,071.42	165,439.47

INVESTMENT IN AND INDEBTEDNESS OF WHOLLY OWNED SUBSIDIARIES

	Shares	Par value	Investment	Indebtedness - not current	Total investment and indebtedness	Net loss of the year 1943 - see note below
Afterthought Mines Corporation	100	$ 10,000.00	- -	- -	- -	$ 5,095.35
International Building Association	10	1,000.00	1,000.00	162,024.48	163,024.48	12,000.85
New Jersey Storage and Warehouse Company	10	1,000.00	1,000.00	- -	1,000.00	6.00
Raritan Terminal and Transportation Company	400		40,000.00	- -	40,000.00	521.13
Per Balance Sheet, December 31, 1943 - page 10			$ 42,000.00	162,024.48		$ 17,623.33
Less indebtedness to wholly owned subsidiaries:						
New Jersey Storage and Warehouse Company				$ 700.93		
Raritan Terminal and Transpontation Company				19,767.29		
Per Balance Sheet December 31, 1943 - page 10					20,468.22	
Net investment					183,556.26	

The above net investment at December 31, 1943 is represented as follows:

Assets:		
Lands, principally for resale		41,956.47
Buildings and railroad construction	$ 102,971.86	
Less reserve for depreciation	28,407.72	74,564.14
Prepaid expenses		107.82
Installment land sales contracts		24,089.56
Accounts receivable		3,297.49
Cash		1,636.96
		145,652.44
Less liabilities:		
Accounts payable	569.94	
Taxes accrued	189.38	
Deferred income	5.00	764.32

Net assets		144,888.12
Difference, being accumulated operating deficits to December 31, 1943		$ 38,668.14
Net investment - December 31, 1942		$ 179,670.85
Net cash advances - year 1943	$ 29,785.71	
Less advances to Afterthought Mines Corporation written off	24,900.30	
	4,885.41	
Decrease in investment - Raritan Copper Works dissolved in 1943	1,000.00	3,885.41
Net investment - December 31, 1943 - as above		$ 183,556.26

NOTE: Net losses shown above include intercompany surplus adjustments for overaccrual of 1942 Federal income tax of $175.49 for International Building [illegible]

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OTHER SECURITY INVESTMENTS

	Par value	Shares	Amount	Market quotations December 31, 1943
Copper Canyon Mining Company stock	$ 6,400.00	64,000	$ 8,600.00	$ 24,000.00
Park-Utah Consolidated Mines Company stock	69,800.00	69,800	441,157.50	111,680.00
Prince Consolidated Mining Company stock	80,000.00	800,000	47,132.86	146,000.00
				$ 281,680.00
Per Balance Sheet December 31, 1943 - page 10			$ 496,890.36	

FUNDS PROVIDED BY GOVERNMENT AGENCY

	Tooele Plant	Miami Plant	Total
Advanced by Metals Reserve Company for the purpose of making advance payments to producers for production in excess of quotas - per Balance Sheet December 31, 1943 - page 10	$ 250,000.00	50,000.00	300,000.00

An offsetting credit, "Advances by Government Agency," is included in the Comparative Balance Sheet - page 10.

MINE DEVELOPMENT

	Balance December 31, 1942	Transferred from mines and mining claims (see page 15)	Expenditures year 1943, less proceeds of ore sales	Balance December 31, 1943
Copper Canyon lease - details below	$ 1,037,334.32		26,426.56	1,063,760.88
Guild Adams lease	- -	147,146.58	435,310.14	582,456.72
Victoria lease	36,552.94		87,835.84	124,388.78
Glacier Peak project	- -		60,353.33	60,353.33
Per Balance Sheet - page 10	$ 1,073,887.26	147,146.58	609,925.87	1,830,959.71

Details of Copper Canyon lease

Original development expenditures:		
Mines, mining claims, etc.		$ 6,973.29
Buildings, machinery and equipment		599,175.63
Mine development		172,543.74
General expense		54,461.79
Plant facilities		3,603.63
		836,758.08
Less - royalty received	$ 2,317.13	
- miscellaneous income received during development	26.49	2,343.62
Total original development expenditures		834,414.46
Inventory of ore on hand at December 31, 1943		51,096.01
Operating loss (exclusive of reimbursement of development expenditures, per contract - see note):		
Year 1942	158,986.75	
Year 1943	19,263.66	178,250.41
As above		$ 1,063,760.88

NOTE - Reimbursement of original development expenditures, per contract, at $1.75 per ton produced would increase operating losses shown above, as follows:

Year 1942	64,889.217	tons	$ 113,556.13
Year 1943	74,465.714	tons	130,315.00
	139,354.931	tons	$ 243,871.13

PREPAID EXPENSES

	December 31, 1942	December 31, 1943	Increase decrease*
Prepaid insurance	$ 64,232.37	70,642.57	6,410.20
Prepaid taxes	- -	7.50	7.50
Sundry	2,947.77	183.32	2,764.45*
Per Balance Sheet - page 10	$ 67,180.14	70,833.39	3,653.25

DEFERRED EXPENSES

	December 31, 1942	December 31, 1943
Tooele plant:		
Slag hauling	$	3,053.97
Sundry deferred expenses, principally employees' expense accounts	10,667.15	65.99
	10,667.15	3,119.96
Zinc oxide department:		
Club memberships	1,000.00	- -
Deferred expenses in connection with plant dismantlement	590.14	- -
	1,590.14	- -
Raritan refinery:		
Perth Amboy General Hospital building fund	6,249.99	- -
Blast furnace slag treatment expense	6,702.92	- -
Reserve for treating silver slag and sludge	398.95	- -
	13,351.86	- -
Investments and advances - Mines department, outside exploration, etc.	5,211.29	- -
Per Balance Sheet - page 10	$ 30,820.44	3,119.96

PNYC0000082

	Total December 31, 1942	Increase or decrease*	Total December 31, 1943	Tooele plant	Mi pl
AMOUNT					
Copper	$ 1,322,329.54	528,491.47	1,850,821.01	479,379.34	258,
Zinc	41,440.46	76,642.55	118,083.01		
Lead	543,418.03	2,165.34*	541,242.69	514,636.73	
Silver	752,992.03	41,847.02*	711,145.01	351,404.22	29,
Gold	598,867.66	66,647.16	665,514.82	214,688.45	23,
Miscellaneous metals	53,942.85	65,573.93	119,516.78	1,235.26	
Manufactured products:					
Zinc oxide	228,519.04	58,009.25*	170,509.79		
White lead	316,285.78	16,062.90*	300,222.88		
Electro-sheet copper	9,901.76	8,903.43	18,805.19		
Prepaid billet cost	29,587.93	61,452.09	91,040.02		
Prepaid freight	14,224.28	4,915.48*	9,308.80		
	3,911,509.36	684,700.64	4,596,210.00	1,561,344.00	312,
Less reserves for freight, refining, etc.	498,810.80	95,881.16	594,691.96	137,428.74	252,
Per Balance Sheet - page 10	$ 3,412,698.56	588,819.48	4,001,518.04	1,423,915.26	59,
Decrease in depreciation included in above inventories - details page 17		6,985.87			
Per page 6		$ 595,805.35			
POUNDS					
Copper	14,278,926	5,780,293	20,059,219	4,343,961	2,5
Zinc	565,167	938,033	1,503,200		
Lead	11,108,421	140,919	11,249,340	10,833,234	
CENTS PER POUND					
Copper	9.261		9.227	11.036	
Zinc	7.332		7.855		
Lead	4.892		4.811	4.751	

SILVER - total for all departments - not covered by affidavits - produced prior to August 15, 1942
- produced since August 15, 1942

- covered by affidavits

As above

GOLD - total for all departments - as above

PNYC00000828

Details of total at December 31, 1943

otal ember 31, 1943	Tooele plant	Miami plant	Lead refinery	Zinc oxide department	White lead department	Raritan refinery	Raritan electro-sheet department
50,821.01	479,379.34	258,902.40	-			1,112,539.27	
18,083.01				118,083.01			
41,242.69	514,636.73		10,860.87		15,745.09		
11,145.01	351,404.22	29,749.47	118,011.94			211,979.38	
55,514.82	214,688.45	23,413.18				427,413.19	
19,516.78	1,235.26		3,051.45			115,230.07	
70,509.79				170,509.79			
00,222.88					300,222.88		
18,805.19							18,805.19
91,040.02						91,040.02	
9,308.80				2,084.92	7,223.88		
96,210.00	1,561,344.00	312,065.05	131,924.26	290,677.72	323,191.85	1,958,201.93	18,805.19
94,691.96	137,428.74	252,888.10				204,375.12	
01,518.04	1,423,915.26	59,176.95	131,924.26	290,677.72	323,191.85	1,753,826.81	18,805.19

0,059,219	4,343,961	2,571,187				13,144,071
1,503,200				1,503,200		
1,249,340	10,833,234		170,089		246,017	

9.227	11.036	10.069				8.464
7.855				7.855		
4.811	4.751		6.385		6.400	

	Ounces	Price	Amount - as above
duced prior to August 15, 1942	1,416,565.40	34.75 ¢	$ 492,256.48
duced since August 15, 1942	226,828.40	44.75	101,505.71
	1,643,393.80	36.13	593,762.19
	165,272.52	71.0238	117,382.82
	1,808,666.32	39.3188¢	$ 711,145.01
	19,431.196	$ 34.250	$ 665,514.82

[redacted]

	Total December 31, 1942	Total December 31, 1943	Tooele plant	Copper Canyon lease
For tolls and for metals and manufactured products:				
Inspiration Consolidated Copper Company	$ 252,064.05	$ 143,476.00		
International Minerals and Metals Company	34,269.45	37,950.01	$ 37,950.01	
Irvington Smelting and Refining Works	99,265.73	19,562.55		
Kennecott Copper Company	36,495.93	- -		
Metals Reserve Company	225,538.00	228,290.76		
Miami Copper Company	463,263.02	628,197.90		
United States Government - Treasury Department	91,837.72	- -		
Utah Copper Company	43,611.59	- -		
Sundry customers	213,143.36	234,654.47	17,350.64	
	1,459,488.85	1,292,131.69	55,300.65	
For premiums on production in excess of quota - Metals Reserve Company	67,285.94	181,763.81	171,366.66	9,929.60
Sundry debtors	263,510.41	75,300.36	28,315.13	103.31
	1,790,285.20	1,549,195.86	255,482.44	10,032.91
Less reserve for doubtful notes and accounts	45,347.55	44,999.03		
Per Balance Sheet - page 10	$1,744,937.65	$1,504,196.83	$255,482.44	10,032.91

*Denotes credit balance

IOTES RECEIVABLE - TRADE, LESS RESERVE

Details of total at December 31, 1943								
Tooele plant	Copper Canyon lease	Miami plant	Lead refinery	Zinc oxide department	White lead department	Raritan refinery	Investments and advances	Items not allocated to departments
		$ 99,587.26				43,888.74		
$ 37,950.01								
						19,562.55		
						228,290.76		
		629,357.52				1,159.62*		
17,350.64		92,735.64	531.92	68,124.25	55,616.47	295.55		
55,300.65		821,680.42	531.92	68,124.25	55,616.47	290,877.98		
171,366.66	9,929.60						467.55	
28,315.13	103.31	16,634.61	16,179.88	370.95	349.15	6,076.49	3,400.17	3,370.67
255,482.44	10,032.91	838,315.03	16,711.80	68,495.20	55,965.62	296,954.47	3,867.72	3,370.67
				30,005.34	14,993.69			
255,482.44	10,032.91	838,315.03	16,711.80	38,489.86	40,971.93	296,954.47	3,867.72	3,370.67

[redacted]

ACCOUNTS WITH AFFILIATES - CURRENT

	December 31, 1942	December 31, 1943	Increase decrease*
Accounts receivable from:			
Anaconda Copper Mining Company	$ 7,133.28	- -	7,133.28*
Anaconda Wire and Cable Company	14,103.95	26,566.47	12,462.52
Basic Magnesium, Incorporated	403.06	- -	403.06*
Copper Export Association	97,470.77	- -	97,470.77*
Chile Exploration Company	53.74	29.87	23.87*
Tooele Valley Railway Company		86.29	86.29
	119,164.80	26,682.63	92,482.17*
Net off accounts payable to:			
Anaconda Copper Mining Company	7,133.28		7,133.28*
Anaconda Wire and Cable Company	8.64		8.64*
Tooele Valley Railway Company		86.29	86.29
	7,141.92	86.29	7,055.63
Per Balance Sheet - page 10	$ 112,022.88	26,596.34	85,426.54*
Accounts payable to:			
The American Brass Company	$ 214.04	631.33	417.29
Anaconda Copper Mining Company	21,290.69	21,290.69	- -
Anaconda Sales Company (current account)	1,591,249.27	2,548,379.13	957,129.86
Anaconda Wire and Cable Company	8.64	- -	8.64*
Chile Steamship Company Incorporated	236.64	159.57	77.07*
Montana Hardware Company	6,610.32	2,798.00	3,812.32*
Tooele Valley Railway Company	16,086.37	16,234.12	147.75
	1,635,695.97	2,589,492.84	953,796.87
Net off accounts receivable as above	7,141.92	86.29	7,055.63*
Per Balance Sheet - page 10	$ 1,628,554.05	2,589,406.55	960,852.50

ACCOUNTS WITH SUBSIDIARIES NOT WHOLLY OWNED - CURRENT

	December 31, 1942	December 31, 1943	Decrease or increase*
Accounts receivable from:			
Mountain City Copper Company	$ 273,686.65	50,048.83	223,637.82
Sundry indirect subsidiaries	40.00	49.24	9.24*
	273,726.65	50,098.07	223,628.58
Net off accounts payable to:			
Mountain City Copper Company	- -	714.40	714.40*
Sundry indirect subsidiaries	- -	42.31	42.31*
	- -	756.71	756.71*
Per Balance Sheet - page 10	$ 273,726.65	49,341.36	224,385.29
Accounts payable to:			
Mountain City Copper Company	$ 420.55	714.40	293.85*
National Tunnel and Mines Company	1,038.54	- -	1,038.54
North Lily Mining Company	12,152.56	46,906.13	34,753.57*
Park Konold Mines Corporation	54.81	- -	54.81
Park Premier Mining Company	1,354.22	- -	1,354.22
Wallace Mining Company	3,716.41	- -	3,716.41
Sundry indirect subsidiaries	200.00	200.00	- -
	18,937.09	47,820.53	28,883.44*
Net off accounts receivable - as above	- -	756.71	756.71*
Per Balance Sheet - page 10	$ 18,937.09	47,063.82	28,126.73*

C A S H

	December 31, 1942	December 31, 1943
Cash in banks:		
Chase National Bank, New York	$ 211,053.40	268,068.52
Continental National Bank and Trust Company of Salt Lake City, Utah	89,181.78	214,223.24
First National Bank of Salt Lake City, Tooele, Utah	49,910.43	49,977.98
Battle Mountain State Bank, Battle Mountain, Nevada	856.87	- -
Nevada Bank of Commerce - Battle Mountain Branch, Battle Mountain, Nevada	- -	644.34
Valley National Bank, Globe, Arizona	9,387.49	11,056.54
First National Bank in East Chicago, Indiana	15,423.99	15,635.04
First National Bank of Nevada - Yerington Branch, Yerington, Nevada	- -	5,500.00
Firestone Park Trust and Savings Bank, Akron, Ohio	25,000.00	25,000.00
First Bank and Trust Company, Perth Amboy, New Jersey	51,222.25	78,876.35
	452,036.21	668,982.01
Less outstanding drafts on New York office, deposited in banks	74,901.52	41,922.99
	377,134.69	627,059.02
Petty cash	792.91	990.35
Per Balance Sheet - page 10	$ 377,927.60	628,049.37

INSTALLMENT LAND SALES AND OTHER ACCOUNTS RECEIVABLE - LESS RESERVE

	December 31, 1942	December 31, 1943
Tooele:		
Installment land sale - Tom Buzzianis' contract	$ 8,464.63	8,288.00
Cash in closed bank - Tooele County State Bank	1,717.28	107.33
	10,181.91	8,395.33
Less reserve for doubtful accounts	1,717.28	107.33
Per Balance Sheet - page 10	$ 8,464.63	8,288.00

ADVANCES TO SUNDRY MINING COMPANIES, INCLUDING ADVANCES ON ORES - LESS RESERVE

	December 31, 1942	December 31, 1943	Decrease increase*
Ore purchase accounts:			
Current items	$ 5,358.17	- -	5,358.17
Advances - good	31,819.69	22,208.84	9,610.85
- good but slow	- -	300.00	300.00*
- fair but slow	39,114.24	537.59	38,576.65
	76,292.10	23,046.43	53,245.67
Other notes and accounts:			
Copper Canyon Mining Company	19,353.83	32,353.83	13,000.00*
New Quincy Mining Company	69,938.46	- -	69,938.46
Panther Mines Company	9,535.86	- -	9,535.86
Prince Consolidated Mining Company	14,764.06	- -	14,764.06
Snyder Mines, Inc.	202,095.21	173,211.32	28,883.89
Sundry - Tooele plant	4,226.04	2,658.93	1,567.11
- Copper Canyon lease	284.16	215.68	68.48
	320,197.62	208,439.76	111,757.86
	396,489.72	231,486.19	165,003.53
Less reserve for doubtful accounts	49,289.17	49,289.17	- -
Per Balance Sheet - page 10	$ 347,200.55	182,197.02	165,003.53
Investments and advances - Prince Consolidated Mining Company	$ 14,764.06	- -	14,764.06
Copper Canyon lease:			
Copper Canyon Mining Company	19,353.83	32,353.83	13,000.00*
Sundry accounts	284.16	215.68	68.48
	19,637.99	32,569.51	12,931.52
Tooele plant:			
Ore purchase accounts	76,292.10	23,046.43	53,245.67
New Quincy Mining Company	69,938.46	- -	69,938.46
Panther Mines Company	9,535.86	- -	9,535.86
Snyder Mines, Inc.	202,095.21	173,211.32	28,883.89
Sundry accounts	4,226.04	2,658.93	1,567.11
	362,087.67	198,916.68	163,170.99
Less reserve for doubtful accounts	49,289.17	49,289.17	- -
	312,798.50	149,627.51	163,170.99
As above	$ 347,200.55	182,197.02	165,003.53

CAPITAL STOCK

	Shares	Amount
Issued and outstanding - details below	163,500	$ 12,262,500.00

Date issued	Issued by International Smelting Company to Anaconda Copper Mining Company for:	Par value		
May 27, 1914	Properties of International Smelting and Refining Company	$ 100.00	95,000	$ 9,500,000.00
Nov. 30, 1915	Cash	100.00	25,000	2,500,000.00
	Total stock issued by International Smelting Company	100.00	120,000	$ 12,000,000.00
	Issued by International Smelting and Refining Company to Anaconda Copper Mining Company for:			
Dec. 21, 1934	120,000 shares of International Smelting Company stock	75.00	120,000	$ 9,000,000.00
Dec. 21, 1934	(Together with $8,000,000 principal amount 15-year 6% debentures) Properties of International Lead Refining Company and Raritan Copper Works	75.00	30,000	2,250,000.00
Oct. 1, 1936	Properties of Anaconda Lead Products Company	75.00	13,500	1,012,500.00
	Issued and outstanding - per Balance Sheet December 31, 1943 - page 10	75.00	163,500	12,262,500.00
	Unissued	75.00	36,500	2,737,500.00
			200,000	$ 15,000,000.00

RESERVE FOR WORKMEN'S COMPENSATION INSURANCE

	Balance December 31, 1942	Additions - details below	Deductions - compensation paid, medical and hospital expenses, etc.	Balance December 31, 1943
Tooele plant	$ 30,155.45	35,057.77	33,908.17	31,305.05
Lead refinery	10,181.38	2,535.10	4,907.58	7,808.90
Zinc oxide department	8,774.78	1,201.80	2,038.51	7,938.07
White lead department	2,324.27	593.13	1,325.14	1,592.26
Raritan refinery	22,252.55	14,707.69	27,060.43	9,899.81
Per Balance Sheet - page 10	$ 73,688.43	54,095.49	69,239.83	58,544.09

Details of additions - year 1943

	Total - as above	Charged cost	Pay roll deductions
Tooela plant	$ 35,057.77	24,184.16	10,873.61
Lead refinery	2,535.10	2,535.10	
Zinc oxide department	1,201.80	1,201.80	
White lead department	593.13	593.13	
Raritan refinery	14,707.69	14,707.69	
	$ 54,095.49	43,221.88	10,873.61

ACCOUNTS AND WAGES PAYABLE

		December 31, 1942	December 31, 1943
Ore purchases - Tooele plant	$	95,530.08	149,196.70
Reserve for unearned tolls - Raritan refinery		435,013.50	387,776.62
Wages payable - details below		116,033.70	105,346.27
Payroll deductions for employees' war bond purchases		31,071.57	25,352.75
Employees' deposits - Tooele plant		10,905.42	12,917.67
Reserve for repairs - Raritan electro-sheet department - details below		11,072.88	6,587.90
Sundry accounts payable		630,736.66	589,935.86
Per Balance Sheet - page 10	$	1,330,363.81	1,277,113.77

Details of Wages payable

		December 31, 1942	December 31, 1943
Tooele plant	$	46,269.28	22,113.91
Copper Canyon lease		9,997.48	6,708.92
Miami plant		8,563.31	19,346.14
Lead refinery		14,454.93	20,909.35
Raritan refinery		34,624.48	35,277.76
Investments and advances		2,124.22	990.19
As above	$	116,033.70	105,346.27

Details of Reserve for repairs - Raritan electro-sheet department

	Balance December 31, 1942	Additions - charged operating expense	Deductions - expended for repairs	Balance December 31, 1943
Reserve for lead anode renewals	$ 2,881.42	308.14	332.24	2,857.32
Reserve for drum surface renewals	8,191.46	303.10	4,763.98	3,730.58
As above	$ 11,072.88	611.24	5,096.22	6,587.90

ACCRUED TAXES

	Total December 31, 1942	Total December 31, 1943	Details of total at December 31, 1943: Tooele Plant	Copper Canyon lease	Miami Plant	Lead refinery	Raritan refinery	Investments and advances	Items not allocated to departments
Federal old age benefits tax	$ 18,130.47	$16,896.00	$ 5,520.16	79.37	1,893.91	2,579.94	7,371.75	12.80	561.93*
Federal and state unemployment insurance taxes	51,730.98	52,848.74	19,430.56	1,965.08	8,361.83	4,390.94	17,220.25	1,161.03	319.05
Federal income and excess profits taxes	180,700.00	49,977.27*							49,977.27*(1)
Federal capital stock tax	5,000.00	5,000.00							5,000.00
Real estate taxes	17,592.54	15,581.03		7,083.71	8,061.14			436.18	
Sundry	2,836.27	1,711.14	511.14		1,200.00				
Per Balance Sheet - page 10	$275,990.26	$42,059.64	$25,461.86	9,128.16	19,516.88	6,970.88	24,592.00	1,610.01	45,220.15*

*Denotes debit

NOTE (1) - Debit represents overpayment of 1941 Federal income tax amounting to $79,977.27 less 1943 accrual amounting to $30,000.00.

DEBENTURES AND NOTES PAYABLE TO ANACONDA COPPER MINING COMPANY

	15 year 6% debentures due 1950	Demand note, interest at 5%	Time note, interest at 1-3/4%	Total
Per Balance Sheet December 31, 1943 - page 10	$ 8,000,000.00	2,250,000.00	250,000.00	10,500,000.00

Interest accrued and paid				
Balance December 31, 1942	$ 21,098.90	- -	- -	21,098.90
Accrued 1943, per Income Account - page 11	480,000.00	112,500.00	4,375.00	596,875.00
	501,098.90	112,500.00	4,375.00	617,973.90
Paid 1943	480,000.00	112,500.00	4,375.00	596,875.00
Balance December 31, 1943	$ 21,098.90	- -	- -	21,098.90

INTEREST RECEIVED - NET

	Year 1942	Year 1943
On advances:		
To subsidiaries not wholly owned:		
Comet Coalition Mines Company	$ 1,992.62	2,155.62
Eureka Bullion Mining Company	1,355.67	1,365.65
Yankee Consolidated Mining Company	102.90	152.04
	3,451.19	3,673.31
National Tunnel and Mines Company	20,833.31	44,365.37
Walker Mining Company	12,379.24	- -
	36,663.74	48,038.68
International Building Association	2,630.01	3,707.24
Tooele Valley Railway Company	2,455.78	2,705.79
Prince Consolidated Mining Company	678.67	201.23
	42,428.20	54,652.94
Snyder Mines, Inc.	4,921.21	7,841.54
	47,349.41	62,494.48
Miscellaneous - net	102.45	2,143.11
Per Income Account - page 11	$ 47,451.86	64,637.59

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MISCELLANEOUS INCOME

	Year 1942	Year 1943
Tooele plant:		
Profit on supplies - fire loss	$ 9,465.04	- -
Profit on sale of land	1,773.78	- -
	11,238.82	- -
Miami plant:		
Loss on sale of land	6,746.88*	- -
Rents	1,728.00	1,692.00
	5,018.88*	1,692.00
Zinc oxide department:		
Loss on sale of mortgage on Akron property	5,000.00*	- -
Raritan refinery:		
Record storage rents	1,350.00	1,350.00
Copper storage rents	9,259.12	2,723.93
Discount on prepayment of taxes	2,890.74	3,715.04
Loading and unloading lighters - net	2,263.80	1,008.85
Boring out American Brass Company copper moulds - net	- -	270.89
	15,763.66	9,068.71
Investments and advances:		
Park-Utah Consolidated Mines Company - reimbursement for dividends of prior years not received by the company	1,300.00	- -
Outside property income, Tooele - net	1,560.76	412.00
Ophir Hill rents	10.00	10.00
	2,870.76	422.00
Per Income Account - page 11	$ 19,854.36	11,182.71

GAP SHEET

There is an inadvertent gap in the numbering sequence from:

PNYC00000844 TO PNYC 00000844

	Total - pages 13 and 14	Wholly owned subsidiaries	Mountain City Copper Company	Nati[...] Tun[...] & M[...] Com[...]
BALANCE SHEET ITEMS				
Mines and mining claims and lands	$ 275,792.41			
Buildings and machinery	133,806.49			
Investments:				
Securities of subsidiaries:				
Not wholly owned	2,625,163.58		1,143,281.33	779,
Wholly owned	42,000.00	42,000.00		
Other security investments	488,290.36			
Indebtedness of subsidiaries - not current:				
Not wholly owned	2,285,071.42			2,018,
Wholly owned	162,024.48	162,024.48		
Mine development	767,198.83			
Prepaid expenses	2,216.65			
Supplies on hand	38,191.21			
Accounts and notes receivable - trade less reserve	3,867.72			
Cash	5,567.92			
Advances to Tooele Valley Railway Company	97,875.35			
	6,927,066.42	204,024.48	1,143,281.33	2,797
Accounts and wages payable	12,206.55			
Accrued taxes	1,610.01			
Indebtedness to subsidiaries:				
Not wholly owned	192.20		192.20	
Wholly owned	20,468.22	20,468.22		
	34,476.98	20,468.22	192.20	
Net investment	$ 6,892,589.44	183,556.26	1,143,089.13	2,797
INCOME ACCOUNT ITEMS				
Cost of sales	$ 124,860.17			
Gain# on disposal or dismantlement of fixed assets	2,040.00#			
Income or loss* from operations	122,820.17*			
Other income:				
Interest received - net	54,652.94	3,707.24		4
Miscellaneous income	422.00			
	55,074.94	3,707.24		4
Income or loss*	67,745.23*	3,707.24		4
Provision for contingencies	297,642.94			
Net income or loss*	$ 365,388.17*	3,707.24		4

IN·ESTMENTS AND ADVANCES

al l es ny	Walker Mining Company	Other subsidiaries not wholly owned	Park-Utah Consolidated Mines Company	Prince Consolidated Mining Company	Victoria lease operations	Guild-Adams lease operations	Tooele Valley Railway Company	Mines department, outside exploration, etc.
		Details of total						
						93,638.19		182,154.22
						133,806.49		
6.32		702,495.93						
			441,157.50	47,132.86				
8.57	200,000.00	67,062.85						
					124,388.78	582,456.72		60,353.33
					704.61	1,401.36		110.68
					9,803.25	26,699.84		1,688.12
					2,012.73	1,209.27		645.72
					67.92	5,500.00		
							97,875.35	
4.89	200,000.00	769,558.78	441,157.50	47,132.86	136,977.29	844,711.87	97,875.35	244,952.07
					2,309.99	9,853.49		43.07
					244.41	1,250.22		115.38
					2,554.40	11,103.71		158.45
4.89	200,000.00	769,558.78	441,157.50	47,132.86	134,422.89	833,608.16	97,875.35	244,793.62
		4,545.09*						129,405.26
								2,040.00#
		4,545.09						127,365.26*
.37		3,673.31		201.23			2,705.79	422.00
.37		3,673.31		201.23			2,705.79	422.00
.37		8,218.40		201.23			2,705.79	126,943.26*
	297,642.94							
.37	297,642.94*	8,218.40		201.23			2,705.79	126,943.26*

[redacted]

DETAILS OF ITEMS NOT ALLOCATED TO DEPARTMENTS

BALANCE SHEET ITEMS

Assets:		
Accounts receivable - trade - Johnson and Higgins		$ 3,370.67
Cash - Chase National Bank, New York		268,068.52
United States Treasury tax savings notes		250,000.00
		521,439.19
Liabilities:		
Accounts payable - Chadbourne, Wallace, Parke and Whiteside	$ 2,630.54	
- sundry	127.49	2,758.03
Taxes accrued - Federal income tax (debit*)	49,977.27*	
- Federal capital stock tax	5,000.00	
- employer's portion of social security taxes on New York employees (debit*)	242.88*	45,220.15*
Indebtedness to affiliates - Anaconda Copper Mining Company - interest accrued, etc.	21,290.69	
- Anaconda Sales Company - current account	2,548,379.13	2,569,669.82
		2,527,207.70
Excess of liabilities over assets - page 13		$ 2,005,768.51

INCOME ACCOUNT ITEMS

Cost of sales - Administrative expenses - New York office	$ 72,649.12	
- Capital stock tax	10,000.00	
- Unclaimed pay roll checks - New York (credit*)	297.44*	
- sundry taxes	2.00	82,353.68
Other income - interest received on freight claim (credit*)		9.31*
United States income tax - estimated		30,000.00
Interest on debentures and notes payable to Anaconda Copper Mining Company		596,875.00
Net loss - page 14		$ 709,219.37

[redacted]

GAP SHEET

There is an inadvertent gap in the numbering sequence from:

PNYC00000848 TO PNYC 00000848