PRESIDENT'S ANNUAL REPORT

TO THE STOCKHOLDERS OF THE

St. Joseph Lead Company

FISCAL YEAR ENDING

DECEMBER 31, 1919

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OF THE

ST. JOSEPH LEAD COMPANY

FISCAL YEAR ENDING DECEMBER 31, 1919

The change from a war to a peace basis has taken place rather more quickly in the lead industry than might have been expected.

After hesitation and uncertainty in the early months of the year, the last months of 1919 saw a growing demand among almost all classes of lead consumers. Your company, after running at reduced output throughout the year 1919, has been encouraged to return to full production in January by a strong and healthy demand for its product.

In the year 1919 dividends to the amount of $1,550,478.60 have been paid to shareholders.

As the earnings for the fiscal year, after allowances for depreciation and depletion, were $1,060,596.25, it will be noticed that your company's surplus December 31, 1919, was $503,197.07 less than December 31, 1918.

Your mines produced 1,978,922 tons of ore.

Your mills produced 114,449 tons of lead concentrates.

Your smelter was shut down for repairs in February, 1919, and did not resume operations until October, 1919. During that period the current output of your mills was smelted on toll at the neighboring smelters at Collinsville and Federal.

FINANCIAL

During the year your company has purchased and now holds in its treasury or in the sinking fund $167,000 additional bonds of the Mississippi River & Bonne Terre Railway.

During 1919 the company paid the balance due on its subscription to the Fourth Liberty Loan, amounting to $251,750, and purchased of the Victory Loan $236,800. It purchased bonds returned by employees amounting to $145,400.

Your company sold during 1919 Liberty Bonds amounting to $915,100, and U. S. Certificates of Indebtedness amounting to $500,000.

Present holdings of Government securities are as follows:

Second Liberty Loan 4¼s	$800,000
Third Liberty Loan 4¼s	300,000
Fourth Liberty Loan 4¼s	600,000
Victory Loan 4¾s	200,000
U. S. Certificates of Indebtedness	500,000

TAXES

Federal Income and Excess Profits Taxes amounting to $1,075,664.29 were paid in 1919, on account of 1918 income.

CLINTON H. CRANE,
President.

BALANCE SHEET

ST. JOSEP

AND SUBSIDIAR

CONSOLIDATED GENERAL BALANCE SHEET

ASSETS

CAPITAL ASSETS:			
Ore Reserves and Mineral Rights	$17,723,144.78		
Less Reserve for Depletion	5,738,352.62	11,984,792 16	
Buildings and Equipment at Mines and Smelter	$6,028,502 73		
Less Reserve for Depreciation	247,890.47	5,780,612.26	
Real Estate		51,939.08	
Farm Lands, Buildings, and Equipment	$1,117,545 81		
Less Reserve for Depreciation	93,615.93	1,023,929.88	
Railroad Property and Equipment	$4,201,776.46		
Less Reserve for Depreciation	364,386.09	3,837,390.37	
Total Capital Assets			$22,678,663.75
SINKING FUND—CASH AND ACCRUED INTEREST			10,516.17
CURRENT ASSETS:			
Cash		$1,537,063.97	
United States Government Certificates of Indebtedness		500,000.00	
United States Government Liberty Loan Bonds and Victory Notes		1,900,462.00	
Accounts and Notes Receivable		1,402,346.44	
Lead on Hand and in Process		254,708.61	
Materials and Supplies		1,567,037.48	
Store Accounts (Net)		40,607.52	
			7,202,226.02
DEFERRED DEBIT ITEMS:			
By-Product (Matte)		$314,883.38	
Real Estate Sold on Long Term Contracts		113,500.57	
Advances to Bonne Terre Hospital Association		54,000.00	
Insurance Premiums, Unexpired Portion		25,274.65	
Miscellaneous Items in Suspense		77,647.18	
			585,305 78
TOTAL			$30,476,711.72

EAD COMPANY

OMPANIES

DECEMBER 31, 1919

LIABILITIES

CAPITAL STOCK:				
St. Joseph Lead Company:				
Authorized—2,000,000 shares of $10.00 each, of which there have been issued 1,464,798 shares			$14,647,980.00	
Less Held in Treasury, 55,332 shares			553,320.00	$14,094,660.00
Subsidiary Companies, Minority Stock Held by Public				1,990.00
FUNDED DEBT:				
Mississippi River & Bonne Terre Railway First Mortgage 5% Bonds, Due 1931			$2,500,000.00	
Less:				
Held in Sinking Fund		$385,000.00		
Held in Treasury		476,000.00	861,000.00	1,639,000.00
CURRENT LIABILITIES:				
Accounts and Wages Payable			$649,468.38	
Traffic and Car Service Balances			102,821.30	
Accrued Taxes			65,959.21	
Accrued Interest			31,328.13	849,577.02
DEFERRED CREDIT ITEMS				5,690.99
RESERVES:				
For Profit on Lease Agreements			$50,043.11	
For Premium on Bonds to be Purchased for Sinking Fund			9,531.32	
For Contingencies			28,697.56	
For Federal Taxes (1919 Provision)			117,844.02	
For Federal Taxes (Unused Portion of 1918 Provision)			924,335.71	1,130,451.72
PROFIT AND LOSS SURPLUS:				
Balance March 1, 1913			$3,925,000.00	
Less Distributions therefrom			3,523,665.00	
Remainder			$401,335.00	
Undistributed Profits Accumulated March 1, 1913, to December 31, 1918		$12,857,204.06		
Less Adjustment of Federal Taxes, etc., for Years 1917 and 1918		13,314.72	$12,843,889.34	
Net Income for Year Ended December 31, 1919, after Providing for Depreciation of Plant and Equipment		$2,295,256.35		
Less Provision for:				
Depletion, etc.	$1,116,816.08			
Federal Taxes, Year 1919	117,844.02	1,234,660.10	1,060,596.25	
Total			$13,904,485.59	
Less Dividends Paid in 1919			1,550,478.60	
Remainder			$12,354,006.99	12,755,341.99
TOTAL				$30,476,711.72

CERTIFICATE OF AUDIT

We have audited the books and accounts of the St. Joseph Lead Company and its subsidiary companies for the year ended December 31, 1919, and

WE HEREBY CERTIFY that, in our opinion, the above Consolidated General Balance Sheet correctly sets forth the financial position of the Companies at the date shown.

NEW YORK, February 4, 1920. HASKINS & SELLS.