PRESIDENT'S ANNUAL REPORT

TO THE STOCKHOLDERS OF THE

St. Joseph Lead Company

FISCAL YEAR ENDING

DECEMBER 31, 1920

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President's Annual Report to the Stockholders

of the

ST. JOSEPH LEAD COMPANY

FISCAL YEAR ENDING DECEMBER 31, 1920

In the year 1920 dividends to the amount of $2,889,436.50 in cash have been paid to stockholders and a stock dividend of 140,946.6 shares distributed.

As the earnings for the fiscal year, after allowances for depreciation, depletion and reserve for Federal Taxes were $2,563,690.30, after an addition of $78,822.52 due to the separation of the accounts of the St. Joseph Lead Company and The Doe Run Lead Company, it will be noticed that your company's surplus December 31st, 1920, was $1,656,389.68 less than December 31st, 1919.

Your mines produced 2,133,327 tons of ore.

Your mills produced 119,429 tons of lead concentrates.

Your smelter produced 78,497 tons of pig lead.

FINANCIAL

During the year your company has purchased and now holds in its treasury, or in the sinking fund, $230,000 additional bonds of the Mississippi River & Bonne Terre Railway.

Our holdings of Government securities on December 31, 1920, were as follows:

Third 4¼% U. S. Liberty Loan	$1,500,000
U. S. Certificates of Indebtedness 5¾%	$1,450,000

TAXES

Federal Income and Excess Profits Taxes amounting to $105,700.14 were paid in 1920 on account of 1919 income.

THE DOE RUN LEAD COMPANY

I reported in my annual report dated December 31, 1917, that The Doe Run Lead Company was dissolved by order of the Circuit Court of Farmington on June 13, 1917, and that the physical property of the company was sold by the Liquidating Trustees to the St. Joseph Lead Company. On June 19, 1920, the Supreme Court of Missouri reversed the decree of the Circuit Court and directed a return of the property to its former status. Acting on this Court order St. Joseph Lead Company reconveyed the property which it acquired from The Doe Run Lead Company and the position is now as it was before August 15, 1917,—St. Joseph Lead Company owns 96.43% of the stock of The Doe Run Lead Company. The balance sheet of this report is a consolidated balance sheet of the two companies.

CLINTON H. CRANE,
President.

BALANCE SHEET

ST. JOSEP

AND SUBSIDIAR

CONSOLIDATED GENERAL BALAN

ASSETS

Capital Assets:			
Ore Reserves and Mineral Rights	$17,908,398.75		
Less Reserve for Depletion	6,940,438.80	$10,967,959 95	
Buildings and Equipment at Mines and Smelter	$7,266,883 78		
Less Reserve for Depreciation	559,843.59	6,707,040.19	
Real Estate		81,779.28	
Farm Lands, Buildings, and Equipment	$833,607.29		
Less Reserve for Depreciation	53,118.23	780,489.06	
Railroad Property and Equipment	$4,215,230.48		
Less Reserve for Depreciation	430,637.86	3,784,592.62	
Total Capital Assets			$22,321,861.10
Sinking Fund—Cash and Accrued Interest			12,472.45
Current Assets:			
Cash		$1,681,917.22	
United States Government Certificates of Indebtedness		1,450,000.00	
United States Government Liberty Loan Bonds, Par Value $1,500,000		1,330,628.82	
Accounts and Notes Receivable		622,529.29	
Lead on Hand and in Process		853,904.81	
Materials and Supplies		1,744,793.11	
Store Accounts (Net)		33,911 47	
			7,717,684.72
Deferred Debit Items:			
By-Product (Matte)		$161,257.66	
Real Estate Sold on Long Term Contracts		84,020.33	
Advances to Bonne Terre Hospital Association		54,000.00	
Insurance Premiums, Unexpired Portion		42,095.32	
Miscellaneous Items in Suspense		433,822.56	
			775,195.87

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, 1920, 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 15, 1921. HASKINS & SELLS.

TOTAL	$30,827,214.14

LEAD COMPANY

COMPANIES

SHEET, DECEMBER 31, 1920

LIABILITIES

Capital Stock:				
St. Joseph Lead Company:				
Authorized—2,000,000 shares of $10.00 each, of which there have been issued 1,605,744.6 shares			$16,057,446.00	
Less Held in Treasury, 56,332 shares			563,320.00	
				$15,494,126.00
Subsidiary Companies, Minority Stock Held by Public				235,850.00
Funded Debt:				
Mississippi River & Bonne Terre Railway First Mortgage 5% Bonds, Due 1931			$2,500,000.00	
Less:				
Held in Sinking Fund		$456,000.00		
Held in Treasury		646,000.00	1,102,000.00	
				1,398,000.00
Current Liabilities:				
Accounts and Wages Payable			$658,448.87	
Traffic and Car Service Balances			91,465.01	
Accrued Taxes			84,971.54	
Accrued Interest			28,515.63	
				863,401.05
Deferred Credit Items				122,607.58
Reserves:				
For Profit on Lease Agreements			$39,553.39	
For Premium on Bonds to be Purchased for Sinking Fund			20,041.32	
For Federal Taxes (Estimated)			600,000.00	
For Contingencies (Includes $924,335.71, Representing Unused Portion of 1918 Provision for Federal Taxes, Transferred)			954,682 49	
				1,614,277.20
Profit and Loss Surplus:				
Balance March 1, 1913			$3,925,000.00	
Less Amortization Distributions therefrom			3,523,665.00	
Remainder			$401,335.00	
Undistributed Profits Accumulated March 1, 1913, to December 31, 1919		$12,354,006.99		
Add:				
Adjustments of City, State and Federal Taxes (Net)	$20,033.91			
Adjustments Due to Separation of Accounts Between the St. Joseph Lead Company and The Doe Run Lead Company (Net)	78,822.52	98,856.43		
Total		$12,452,863.42		
Deduct:				
Adjustment of Inventory of Matte	$120,264.98			
Exploration Department Expenses Transferred from Ore Reserves and Mineral Rights	106,915.23			
Loss on Sale of United States Liberty Loan Bonds	240,589.80	467,770.01		
		$11,985,093.41		
Net Income for Year Ended December 31, 1920, after Providing for Depreciation of Plant and Equipment	$4,813,512.58			
Less Provision for:				
Depletion $1,202,086.18				
Federal Taxes, Year 1920... 600,000.00	1,802,086 18	3,011,426.40		
Total		$14,996,519.81		
Less Dividends Paid in 1920:				
Stock	$1,409,466.00			
Cash	2,889,436.50	4,298,902.50		
Remainder			$10,697,617.31	11,098,952.31
Total				$30,827,214.14