INTERNATIONAL SMELTING AND REFINING COMPANY

REPORT ON AUDIT

YEAR ENDED DECEMBER 31, 1941

Pogson, Peloubet & Co.
Certified Public Accountants

Pogson, Peloubet & Co.
CERTIFIED PUBLIC ACCOUNTANTS

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EUROPE-KEMP, CHATTERIS, & CO.
LONDON

NEW YORK

To the Board of Directors,
International Smelting and Refining Company,
25 Broadway, 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, 1941, and present herewith Balance Sheet and Income Account and Surplus Account, followed by various supporting schedules.

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

New Jersey Storage and Warehouse Company
Raritan Copper Works, 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. Certain consolidating entries, however, applied in the consolidated report, have not been given effect to in this report but are shown on page 13.

OPERATIONS

Operations of International Smelting and Refining Company for the past

[redacted]

three years compare as follows:

		Year 1939	Year 1940	Year 1941
Gross sales and earnings	$	23,271,062.38	27,841,404.22	27,966,251.98
Gross profit on plant operations		1,622,330.85	2,181,042.44	1,881,979.16
Income from sundry investments		155,074.43	233,437.44	385,626.85
		1,777,405.28	2,414,479.88	2,267,606.01
Interest paid to affiliates on notes and debentures		750,833.34	658,618.07	612,418.37
Provision for Federal income taxes - estimated		130,000.00	271,477.25	537,400.00
Investments in and advances to sundry companies written off		- -	379,745.54	1,286,833.99
		880,833.34	1,309,840.86	2,436,652.36
Net Income (loss*)	$	896,571.94	1,104,639.02	169,046.35*

Gross profit on operations of the various plants and departments of the company and income from sundry investments for the past three years and the respective investment therein at December 31, 1941 are shown in the following summary:

PROFIT ON PLANT OPERATIONS

		Year 1939	Year 1940	Year 1941		Investment at December 31, 194
Toocle plant	$	170,980.77	175,950.65	262,924.14	$	5,102,568.01
Miami plant		19,309.14*	76,659.47	10,037.81*		1,298,425.84
Ophir Hill plant		82,707.52	48,043.75	- -		- -
Lead refinery		114,532.04*	152,247.81	150,472.95		919,132.31
Zinc oxide department		49,590.31	71,992.00*	279,320.46*		772,758.01
White lead department		23,859.19	15,218.40	67,435.97		645,899.29
Raritan refinery		1,151,357.76	1,792,626.42	1,823,117.56		6,074,614.45
Raritan secondary metals department		321,388.68	82,223.03	53,001.81*		1,923,473.09
Raritan electro sheet department		19,729.06	10,948.84	27,833.73		285,422.30
Not allocated		63,439.26*	80,883.93*	107,445.11*		107,873.04
Gross profit on plant operations - as above	$	1,622,330.85	2,181,042.44	1,881,979.16	$	17,129,966.34

INCOME FROM SUNDRY INVESTMENTS

Mountain City Copper Company, dividends	$	229,224.68	365,733.50	365,733.50	$	1,143,281.33
National Tunnel and Mines Company, interest		- -	- -	3,854.16		1,386,248.08
Walker Mining Company, interest		12,545.54	16,795.49	18,554.23		657,391.97
Other investments and advances - net loss*		86,695.79*	149,091.55*	2,515.04*		2,337,160.46
Income from investments - as above	$	155,074.43	233,437.44	385,626.85	$	5,524,081.84

Details of the above figures are shown on the Balance Sheet and Income Account by departments on pages 11 and 12.

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 $133,841.13 at December 31, 1941 and combined net income of such companies amounted to $2,714.43 for the year 1941 (details page 19). No dividends were received during 1941.

Investment, including noncurrent advances, in subsidiaries not wholly owned by the company amounted to $3,945,879.62 at December 31, 1941 compared with $3,978,239.91 at December 31, 1940 as shown in the following table:

	December 31, 1940	December 31, 1941
Mountain City Copper Company	$ 1,143,281.33	1,143,281.33
National Tunnel and Mines Company (which became a subsidiary of Anaconda Copper Mining Company during 1941):		
Investment (included in other security investments at December 31, 1940)		915,693.92
Advances		470,554.16
Walker Mining Company:		
Investment (written off in 1941)	882,049.50	- -
Advances	797,479.10	657,391.97
Subsidiaries whose properties are located in the Park Mining District (written off in 1941)	405,606.87	- -
Other subsidiaries:		
Investments	702,495.93	702,495.93
Advances	47,327.18	56,462.31
	$ 3,978,239.91	3,945,879.62

Market values based on market quotations of securities which are quoted on various stock exchanges amounted to $4,668,800.68 at December 31, 1941 (details page 18) compared with $6,012,724.76 at December 31, 1940.

The company's share of the combined net income of these subsidiaries amounted to $210,726.18 for the year 1941 as compared with $436,494.29 for the year 1940. Dividends of $365,733.50 were received from Mountain City Copper Company in both 1940 and 1941.

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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)	$ 2,574,906.99	
Decrease in inventories (details page 5)	2,041,204.63	
Increase in current liabilities and reserve for workmen's compensation	277,546.13	
Fixed assets disposed of	85,522.03	4,979,179.78
Funds were disbursed as follows:		
Decrease in notes payable to Anaconda Copper Mining Company	2,250,000.00	
Fixed assets purchased (details below)	950,256.01	
Interest paid on debentures and notes payable	612,418.37	
Increase in deferred items, principally Copper Canyon development	559,748.75	
Advances to subsidiaries and sundry mining companies - net (details below)	288,449.48	
Increase in current accounts receivable	254,179.96	4,915,052.57
And there was an increase in cash of		$ 64,127.21

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 10			$ 169,046.35*
Add back charges to income not requiring funds:			
Depreciation - on deliveries		$ 785,937.05	
- automotive equipment written off		1,451.16	
Loss on disposal or dismantlement of fixed assets:			
Buildings and machinery	$ 22,497.18		
Lands, principally at Akron	25,266.93		
Securities sold	9,548.66	57,312.77	
Investments in and advances to subsidiaries written off - page 37		1,286,833.99	
Add back interest paid on debentures and notes payable to Anaconda Copper Mining Company		612,418.37	2,743,953.34
As above			$ 2,574,906.99

EXPENDITURES FOR FIXED ASSETS

Buildings and machinery:	
Tooele slag treatment plant	$ 492,676.60
Raritan refinery	205,681.80
Other plants	161,954.51
	860,312.91
Mines, mining claims and lands, Tooele	89,943.10
As above	$ 950,256.01

INCREASE IN ADVANCES TO SUBSIDIARIES AND SUNDRY MINING COMPANIES - NET

Advances to National Tunnel and Mines Company	$ 400,554.16
Decrease* in advances to Walker Mining Company	140,087.13*
Advances to other subsidiaries and sundry mining companies - net	27,982.45
Increase - as above	$ 288,449.48

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DECREASE IN INVENTORIES

Metals and manufactured products - finished (details page 24)		$ 2,390,858.70
	- in process	45,860.37
Supplies (increase*)		395,514.44*
Decrease - per page 4		$ 2,041,204.63

FINANCIAL

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

	At December 31, 1940	At December 31, 1941	Increase or decrease* in investment
Fixed assets, less reserves applicable thereto	$ 15,283,282.53	14,357,295.73	925,986.80*
Deferred charges	65,222.25	624,971.00	559,748.75
Current and other assets - net, except notes payable to Anaconda Copper Mining Company	9,760,316.79	7,729,495.50	2,030,821.29*
	25,108,821.57	22,711,762.23	2,397,059.34*
Reserves for workmen's compensation insurance	35,727.04	57,714.05	21,987.01*
Equity of Anaconda Copper Mining Company	$ 25,073,094.53	22,654,048.18	2,419,046.35*

The equity of Anaconda Copper Mining Company at December 31, 1941 is represented by:

Capital stock	$ 12,262,500.00
Debentures	8,000,000.00
Notes	2,500,000.00
Deficit*	108,451.82*
As above	$ 22,654,048.18

The decrease in such equity during the year 1941 is the result of the

net loss of the year	$ 169,046.35
and repayment of notes	2,250,000.00
As above	$ 2,419,046.35

Changes in current position were as follows:

	December 31, 1940	December 31, 1941	Increase or decrease*
Current assets	$ 11,045,932.63	9,251,980.66	1,793,951.97*
Current liabilities	1,450,808.91	1,706,368.03	255,559.12
	$ 9,595,123.72	7,545,612.63	2,049,511.09*
Current ratio	7.6 to 1	5.4 to 1	

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DISTRIBUTION OF BALANCE SHEET AND INCOME ACCOUNT TO DEPARTMENTS

The detail schedules which support the Balance Sheet and Income Accoun by departments (pages 11 and 12) are presented in ten divisions, the eight principal operating departments:

1. Tooele plant,
2. Miami plant,
3. Lead refinery,
4. Zinc oxide department,
5. White lead department,
6. Raritan refinery,
7. Raritan secondary metals department,
8. Raritan electro-sheet department, and

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 this division are shown on page 39.

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, 1941. 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 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.

[redacted]

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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 were examined in detail and those considered bad or doubtful have been written off or have been provided for in reserve. 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.

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.

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, November 28, 1942

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INTERNATIONAL SMEL

COMPARATI

DECEMBER

Page		Dec
	ASSETS	
	FIXED ASSETS:	
14	Mines and mining claims and lands for metal producing and manufacturing plants	
15	Buildings and machinery at reduction works, refineries and manufacturing plants	$ 25,977,61
16	Less reserve for depreciation	17,361,60
	Patents	
	Investments:	
17	Securities of subsidiaries - not wholly owned	
19	- wholly owned	
20	Other security investments	
	Indebtedness of subsidiaries - not current:	
18	Not wholly owned	
19	Wholly owned	
	DEFERRED CHARGES:	
21	Mine development	
22	Prepaid expenses	17,978
23	Deferred expenses	47,243
	CURRENT AND OTHER ASSETS:	
	Current assets:	
	Supplies on hand	902,554
	Metals and manufactured products - in process	2,059,586
24	- finished	6,397,722
	Accounts and notes receivable:	
25	Trade, less reserve	1,053,735
26	Affiliates	281,712
18	Subsidiaries - not wholly owned - current	131,026
27	Cash	219,595
	Other assets:	
28	Advances to sundry mining companies, including advances on ores, less reserve	60,293
	Advances to Tooele Valley Railway Company	104,900
	LIABILITIES	
	CAPITAL STOCK - issued and outstanding - 163,500 shares of the par value of $75.00 each	
29	RESERVE FOR WORKMEN'S COMPENSATION INSURANCE	
	CURRENT LIABILITIES:	
30	Accounts payable - trade	$ 902,134.
	Wages payable	95,373.
31	Accrued taxes	352,660.
32	Other accrued liabilities	11,917.
26	Indebtedness - to affiliates	48,292.
	- to subsidiaries - not wholly owned	13,719.
19	- wholly owned	19,715.
	Employees' deposits	6,995.
33	DEBENTURES AND NOTES PAYABLE TO ANACONDA COPPER MINING COMPANY	
13	SURPLUS (deficit*)	

NTERNATIONAL SMELTING AND REFINING COMPANY

COMPARATIVE BALANCE SHEET

DECEMBER 31, 1940 AND 1941

	December 31, 1940		December 31, 1941		Increase or decrease#	
		$ 1,102,805.32		$ 1,151,491.58		$ 48,686.26
	$ 25,977,619.84		$ 26,586,504.44		$ 608,884.60	
	17,361,601.01	8,616,018.83	17,977,703.16	8,608,801.28	616,102.15	7,217.55#
		1.00		1.00		- -
		2,765,473.03		2,761,471.18		4,001.85#
		43,000.00		43,000.00		- -
		1,423,065.48		496,890.36		926,175.12#
		1,212,766.88		1,184,408.44		28,358.44#
		120,151.99		111,231.39		8,920.10#
		15,283,282.53		14,357,295.73		925,986.80#
			548,526.51		548,526.51	
	17,978.96		39,695.66		21,716.70	
	47,243.29	65,222.25	36,748.83	624,971.00	10,494.46#	559,748.75
	902,554.99		1,298,069.43		395,514.44	
	2,059,586.37		2,013,726.00		45,860.37#	
	6,397,722.07		3,995,908.86		2,401,813.21#	
	1,053,735.19		1,259,988.83		206,253.64	
	281,712.04		326,483.50		44,771.46	
	131,026.53		74,081.39		56,945.14#	
	219,595.44	11,045,932.63	283,722.65	9,251,980.66	64,127.21	1,793,951.97#
s on						
	60,293.07		88,882.87		28,589.80	
	104,900.00	165,193.07	95,000.00	183,882.87	9,900.00#	18,689.80
		$ 26,559,630.48		$ 24,418,130.26		$ 2,141,500.22#
		$ 12,262,500.00		$ 12,262,500.00		
		35,727.04		57,714.05		$ 21,987.01
	$ 902,134.22		$ 810,716.10		$ 91,418.12#	
	95,373.37		122,420.04		27,046.67	
	352,660.97		662,177.22		309,516.25	
	11,917.40		11,606.13		311.27#	
	48,292.31		38,945.50		9,346.81#	
	13,719.82		30,777.80		17,057.98	
	19,715.18		20,390.76		675.58	
	6,995.64	1,450,808.91	9,334.48	1,706,368.03	2,338.84	255,559.12
PANY		12,750,000.00		10,500,000.00		2,250,000.00#
		60,594.53		108,451.82*		169,046.35#
		$ 26,559,630.48		$ 24,418,130.26		$ 2,141,500.22#

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INTERNATIONAL SMELTING AND REFINING COMPANY

COMPARATIVE INCOME ACCOUNT

YEARS ENDED DECEMBER 31, 1940 AND 1941

ge		Year ended December 31, 1940		Year ended December 31, 1941		Increase or decrease#	
12	Sales and tolls		$ 27,841,404.22		$ 27,966,251.98		$ 124,847.76
	Cost of sales		24,888,201.25		25,278,738.08		390,536.83
	Income from operations before deducting depreciation		2,953,202.97		2,687,513.90		265,689.07#
	Other income:						
	Dividend from Mountain City Copper Company	$ 365,733.50		$ 365,733.50		$ - -	
34	Other dividends and interest net	40,705.12		38,325.90		2,379.22#	
35	Miscellaneous income or loss*	110,856.87	517,295.49	15,533.06*	388,526.34	126,389.93#	128,769.15#
			3,470,498.46		3,076,040.24		394,458.22#
16	Provision for depreciation	798,324.88		765,937.05		12,387.83#	
36	Loss on disposal or dismantlement of fixed assets	205,179.99		22,497.18		182,682.81#	
		1,003,504.87		808,434.23		195,070.64#	
33	Interest on debentures and notes payable to Anaconda Copper Mining Company	658,618.07		612,418.37		46,199.70#	
	Expenses pertaining to non-operating units	52,513.71				52,513.71#	
	Expenditures on options not exercised	379,745.54				379,745.54#	
37	Investments in and advances to certain subsidiary mining companies written off, operations having been discontinued			1,286,833.99		1,286,833.99	
			2,094,382.19		2,707,686.59		613,304.40
			1,376,116.27		368,353.65		1,007,762.62#
	United States income and profits taxes - estimated		271,477.25		537,400.00		265,922.75
	Net income (loss*)		$ 1,104,639.02		$ 169,046.35*		$ 1,273,685.37#

BALANCE SHEET - DECEMBE

ASSETS	Tooele plant	Miami plant	Lead refinery	Zinc oxide department	
Mines and mining claims and lands	$ 367,263.43	66,666.60	130,665.27	22,073.16	
Buildings and machinery	7,558,347.29	3,103,550.21	1,143,588.48	615,358.11	
Reserve for depreciation	5,879,381.44*	3,103,550.21*	747,518.49*	406,718.79*	
Patents			1.00		
Investments:					
Securities of subsidiaries:					
Not wholly owned					
Wholly owned					
Other security investments					
Indebtedness of subsidiaries - not current:					
Not wholly owned					
Wholly owned					
Mine development					
Prepaid expenses	16,105.40	160.97	2,148.58		
Deferred expenses	1,702.03			700.00	
Supplies on hand	411,137.77	110,903.04	127,848.94	49,845.86	
Metals and manufactured products:					
In process	1,469,579.08	432,405.02	56,149.75	55,592.15	
Finished	1,233,951.66	221,962.49	373,799.92	251,349.47	
Accounts and notes receivable:					
Trade, less reserve	101,776.80	511,773.27	29,841.99	159,598.05	
Affiliates	98.31				
Subsidiaries not wholly owned - current	74,081.39				
Cash	128,096.02	12,315.87	14,317.19	25,000.00	
Advances to sundry mining companies, including advances on ores, less reserve	59,808.66				
Advances to Tooele Valley Railway Company					
	5,542,566.40	1,356,187.26	1,130,842.63	772,798.01	6
LIABILITIES					
Reserve for workmen's compensation insurance	$ 19,093.77		23,333.96		
Accounts payable - trade	290,646.42	33,636.43	148,796.90	40.00	
Wages payable	56,630.11	8,825.44	26,936.50		
Accrued taxes	21,032.28	15,251.65	11,470.12		
Other accrued liabilities					
Indebtedness - to affiliates	13,848.53	47.90	1,172.84		
- to subsidiaries - not wholly owned	29,412.80				
- wholly owned					
Employees' deposits	9,334.48				
	439,998.39	57,761.42	211,710.32	40.00	
Net investment	$ 5,102,568.01	1,298,425.84	919,132.31	772,758.01	64

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1941 - BY DEPARTMENTS

White lead department	Raritan refinery	Raritan secondary metals department	Raritan electro-sheet department	Investments and advances - details page 38	Items not allocated to departments - details page 39	inations*	Total - page 9
13,243.90	343,890.04	65,861.21	4,349.45	137,478.52			1,151,491.58
755,758.43	10,953,105.24	2,063,286.29	390,962.58	2,547.81			26,586,504.44
517,800.32*	6,327,782.29*	891,254.49*	103,697.13*				17,977,703.16*
							1.00
				2,761,471.18			2,761,471.18
				43,000.00			43,000.00
				496,890.36			496,890.36
				1,184,408.44			1,184,408.44
				111,231.89			111,231.89
				548,526.51			548,526.51
	18,958.01			2,322.70			39,695.66
	18,000.00	13,985.51		2,361.29			36,748.83
60,658.28	399,414.96			138,260.58			1,298,069.43
							2,013,726.00
248,715.36	988,449.95	672,347.25	5,332.76				3,995,908.86
85,158.64	32,486.12			7,608.65	331,745.31		1,259,988.83
	14,028.78				314,947.32	2,590.91*	326,483.50
							74,081.39
	27,061.67			1,657.81	75,274.09		283,722.65
				29,074.21			88,882.87
				95,000.00			95,000.00
645,734.29	6,467,612.48	1,924,225.77	296,947.66	5,561,839.95	721,966.72	2,590.91*	24,418,130.26
	12,925.85			2,360.47			57,714.05
35.00	319,948.22	752.68		5,840.73	11,019.72		810,716.10
	24,308.07			5,719.92			122,420.04
	32,702.57			2,081.23	579,639.37		662,177.22
	80.77		11,525.36				11,606.13
	3,032.55				23,434.59	2,590.91*	38,945.50
				1,365.00			30,777.80
				20,390.76			20,390.76
							9,334.48
35.00	392,998.03	752.68	11,525.36	37,758.11	614,093.68	2,590.91*	1,764,082.08
645,699.29	6,074,614.45	1,923,473.09	285,422.30	5,524,081.84	107,873.04		22,654,048.18

Capital stock	$ 12,262,500.00
Deficit*	108,451.82
	12,154,048.18
Debentures and notes payable to Anaconda Copper Mining Company	10,500,000.00
As above	$ 22,654,048.18

INCOME ACCOUNT - YI

	Tooele plant	Miami plant	Lead refinery	Zinc oxide department	White le departme
Sales of copper	$ 1,390,754.70	796,890.45			
lead	3,466,638.73		247,524.80		
silver	3,036,475.56	245,048.91	1,068,011.91		
gold	2,172,228.18	175,451.67	201,656.09		
miscellaneous metals	55,981.68				
zinc oxide				2,265,909.27	
white lead					1,511,395
electro-sheet copper					
residue, ores, etc.	1,127,913.69		5,967.67	144,733.79	
Tolls	1,094,373.07	1,266,257.60	474,119.42	20,535.00	
	12,344,365.61	2,483,648.63	1,997,279.89	2,431,178.06	1,511,395
Cost of sales	11,118,383.11	1,640,958.77	1,741,311.37	2,611,071.92	586,913
Interdepartment	774,696.91	788,188.47	61,723.36	3,857.34	815,213
	11,893,080.02	2,429,147.24	1,803,034.73	2,614,929.26	1,402,126
Income or loss*	451,285.59	54,501.39	194,245.16	183,751.20*	109,269
Provision for depreciation and loss (profit*) on disposal or dismantlement of fixed assets	188,110.51	66,348.00	44,185.80	65,923.23	41,869.
Income or loss* from operations	263,175.08	11,846.61*	150,059.36	249,674.43*	67,400.
Other income:					
Dividend from Mountain City Copper Company					
Other dividends and interest (paid*) - net	250.94*	80.80	413.59	19.69	35.
Miscellaneous income or loss*		1,728.00		29,665.72*	
	250.94*	1,808.80	413.59	29,646.03*	35.
Income or loss*	262,924.14	10,037.81*	150,472.95	279,320.46*	67,435.
Interest on debentures and notes payable to Anaconda Copper Mining Company					
Investments and advances written off					
United States income and profits taxes - estimated					
Net income or loss*	$ 262,924.14	10,037.81*	150,472.95	279,320.46*	67,435.9

[illegible] - YEAR ENDED DECEMBER 31, 1941 - BY DEPARTMENTS

White lead department	Raritan refinery	Raritan secondary metals department	Raritan electro-sheet department	Investments and advances - page 38	Items not allocated to departments - page 39	Inter-department eliminations*	Total - page 10
	50,965.04	2,299,990.44				287.98*	4,538,312.65
						815,006.84*	2,899,156.69
	23,757.33						4,373,293.71
	597,755.80						3,147,091.74
	286,838.53	437,364.50				17,040.07*	763,144.64
						325.05*	2,265,584.22
1,511,395.62						2,121.36*	1,509,274.26
			167,478.45				167,478.45
				767.63		68,061.99*	1,211,320.79
	5,900,434.82					1,664,125.08*	7,091,594.83
1,511,395.62	6,859,751.52	2,737,354.94	167,478.45	767.63		2,566,968.37*	27,966,251.98
586,913.22	4,713,644.56	2,614,029.26	116,540.61	28,416.67	107,468.59		25,278,738.08
815,213.09	23,974.09	99,185.15	129.96			2,566,968.37*	
1,402,126.31	4,737,618.65	2,713,214.41	116,670.57	28,416.67	107,468.59	2,566,968.37*	25,278,738.08
109,269.31	2,122,132.87	24,140.53	50,807.88	27,649.04*	107,468.59*		2,687,513.90
41,869.12	313,952.60	77,142.34	22,974.15	12,071.52*			808,434.23
67,400.19	1,808,180.27	53,001.81*	27,833.73	15,577.52*	107,468.59*		1,879,079.67
				365,733.50			365,733.50
35.78	.24			38,003.26	23.48		38,325.90
	14,937.05			2,532.39*			15,533.06*
35.78	14,937.29			401,204.37	23.48		388,526.34
67,435.97	1,823,117.56	53,001.81*	27,833.73	385,626.85	107,445.11*		2,267,606.01
					612,418.37		612,418.37
				1,286,833.99			1,286,833.99
					537,400.00		537,400.00
				1,286,833.99	1,149,818.37		2,436,652.36
67,435.97	1,823,117.56	53,001.81*	27,833.73	901,207.14*	1,257,263.48*		169,046.35*

[redacted]

SURPLUS ACCOUNT

Balance December 31, 1940 (surplus)	$ 60,594.53
Net loss, year ended December 31, 1941 - page 10	169,046.35
Per Balance Sheet, December 31, 1941 - page 9 (deficit)	$ 108,451.82

Investment in National Tunnel and Mines Company in this report is at the amount shown on the books of International Smelting and Refining Company which differs from that shown in the report on Anaconda Copper Mining Company and consolidated subsidiaries, in that the investment and Consolidated Surplus have there been reduced by $136,307.60, the amount of the deficit of Utah-Delaware Mining Company on dissolution in 1937.

MINES AND MINING CLAIMS AND LANDS

	Balance December 31, 1940	Additions	Deductions - see notes below	Balance December 31, 1941
Lands for metal producing plants:				
Tooele plant	$ 352,898.18	11,665.25		364,763.43
Miami plant	56,191.60			56,191.60
Lead refinery	130,665.27			130,665.27
Raritan refinery	343,890.04			343,890.04
Raritan secondary metals department	65,861.21			65,861.21
Investments and advances - Rico	2,480.00			2,480.00
	951,986.30	11,665.25		963,851.55
Lands for manufacturing plants:				
Zinc oxide department	60,822.51		38,749.35(1)	22,073.16
White lead department	13,243.90			13,243.90
Raritan electro-sheet department	4,349.45			4,349.45
	78,415.86		38,749.35	39,666.51
Other lands:				
Tooele	2,500.00			2,500.00
Miami	10,475.00			10,475.00
	12,975.00			12,975.00
Total lands	1,043,377.16	11,865.25	38,749.35	1,016,493.06
Mines and mining claims:				
Investments and advances:				
Tooele	39,369.62	78,077.85	517.58(2) 1,989.91(3)	114,939.98
Miami	20,058.54			20,058.54
	59,428.16	78,077.85	2,507.49	134,998.52
Per Balance Sheet - page 9	$ 1,102,805.32	89,943.10	41,256.84	1,151,491.58

NOTE 1 - Land at Akron, Ohio, sold
2 - Mining claims in Mountain City district written off
3 - Royalties received from sales of ore mined by North Lily Mining Company from property of International Smelting and Refining Company.

BUILDINGS AND MACHINERY

		Balance December 31, 1940	Construction	De sal disma detail
Tooele plant	$	7,101,420.81	544,257.07	87,
Miami plant		3,103,550.21		
Lead refinery		1,113,670.67	33,298.28	3,
Zinc oxide department		676,373.82	28,184.04	89,
White lead department		734,447.48	21,310.95	
Raritan refinery		10,808,991.97	205,681.80	42,
Raritan secondary metals department		2,043,072.59	3,789.00	
Raritan electro-sheet department		366,135.60	23,791.77	
Investments and advances - Rico		29,956.69		27,
Per Balance Sheet - page 9	$	25,977,619.84	860,312.91	249,

NOTE 1 - Depreciation of automotive equipment written off.

2 - Reallocation of plant at Perth Amboy.

	Balance December 31, 1940	Depreciation on 1941 operations - details below	Deductions* for sales and dismantlements - page 36	Reallocation of plant at Perth Amboy (increase or decrease*)	Balance December 31, 1941
le plant	$ 5,772,495.31	165,463.60	58,577.47*		5,879,381.44
l plant	3,037,202.21	66,348.00			3,103,550.21
refinery	706,352.72	44,401.27	3,235.50*		747,518.49
oxide department	428,161.12	33,015.03	54,457.36*		406,718.79
e lead department	476,994.49	40,805.83			517,800.32
tan refinery	6,040,996.49	363,794.74	42,610.06*	34,398.88*	6,327,782.29
tan secondary metals department	818,405.11	40,490.02		32,359.36	891,254.49
tan electro-sheet department	80,993.56	20,664.05		2,039.52	103,697.13
Balance Sheet - page 9	$ 17,361,601.01	774,982.54	158,880.39*		17,977,703.16

ails of depreciation on 1941 operations

	Depreciation on 1941 operations - as above			Depreciation applicable to inventory		Depreciation applicable to 1941 sales - per Income Account - page 10
	Quantity	Rate	Amount	December 31, 1940	December 31, 1941	
Tooele plant:						
Lead plant	57,931,568 pounds	.131¢	$ 75,890.35	22,091.02	12,316.77	85,664.60
Sulphide concentrator	149.889 tons	22.500¢	33,725.03			33,725.03
Oxide concentrator			32,149.30			32,149.30
Slag plant			23,415.00			23,415.00
Salt Lake City furniture and ranch buildings			283.92			283.92
			165,463.60	22,091.02	12,316.77	175,237.85
Miami plant:						
Copper plant			62,534.37			
Anode furnace			3,813.63			
			66,348.00			66,348.00
Lead refinery	47,220.978 tons	89.000¢	42,026.67			
Furniture and fixtures			2,374.60			
			44,401.27			44,401.27
Zinc oxide department	34,752,665 pounds	.095¢	33,015.03	3,065.79	3,318.82	32,762.00
White lead department	18,979,444 pounds	.215¢	40,805.83	8,055.26	6,621.97	42,239.12
Raritan refinery			363,794.74			
Less amount applicable to plant used by secondary metals department and electro-sheet department			38,962.42			
			324,832.32			324,832.32
Raritan secondary metals department - cathodes	17,995.564 tons	$2.25	40,490.02			
Depreciation on refinery plant - as above			36,652.32			
			77,142.34			77,142.34
Raritan electro-sheet department	1,337,601 pounds	1.5¢	20,664.05			
Depreciation on refinery plant - as above			2,310.10			
			22,974.15			22,974.15
Per Income Account, year ended December 31, 1941 - page 10			$ 774,982.54	33,212.07	22,257.56	785,937.05

INVESTMENTS IN SECURITIES OF SUBSIDIARIES NOT WHOLLY

Balance December 31, 1940

Addition, year 1941:
National Tunnel and Mines Company, transferred from other security investments (page 20) on acquisition of additional shares by Anaconda Copper Mining Company, bringing the combined ownership of Anaconda Copper Mining Company and International Smelting and Refining Company to more than 50% of the outstanding shares

Deductions, year 1941:
Investments written off:
Park Konold Mines Corporation
Park Nelson Mining Company
Park Premier Mining Company
Walker Mining Company

Per Balance Sheet, December 31, 1941 - page 9

Details of balance at December 31, 1941

	Shares	Par v
Mountain City Copper Company	1,462,934	$ 73,1
National Tunnel and Mines Company - see note	328,200	no
Walker Mining Company	882,042	882,0
Other subsidiaries not wholly owned:		
Comet Coalition Mines Company	760,246	190,0
Eureka Bullion Mining Company	756,000	37,8
Mountain View Mining Company	728,420	72,8
North Lily Mining Company	475,000	47,5
Victor Consolidated Mining Company	365,390	182,6
Yankee Consolidated Mining Company	501,005	50,1

As above

Net decrease in equity - year 1941

Equity in income, as above
Less dividend received from Mountain City Copper Company

Investment in National Tunnel & Mines Company in this report is at the amount show
and Refining Company which differs from that shown in the report on Anaconda Copper Mining C
that the investment and Consolidated Surplus have there been reduced by $136,307.60. the amou
Mining Company on dissolution in 1937.

INVESTMENT IN AND INDEBTEDNESS OF SUBSIDIARIES NOT WHOLLY OWNED

	Investment - page 17	Indebtedness not current	Total	Market quotations December 31, 1941
Mountain City Copper Company	$ 1,143,281.33		1,143,281.33	$ 2,468,701.13
National Tunnel & Mines Company	915,693.92	470,554.16	1,386,248.08	1,550,409.00
Walker Mining Company	- -	657,391.97	657,391.97	249,176.87
Comet Coalition Mines Company	340,891.71	31,846.41	372,738.12	57,018.45
Eureka Bullion Mining Company	187,923.49	22,847.95	210,771.44	86,940.00
Mountain View Mining Company	68,806.23		68,806.23	14,568.40
North Lily Mining Company	66,527.78		66,527.78	218,500.00
Victor Consolidated Mining Company	18,306.52		18,306.52	10,961.70
Yankee Consolidated Mining Company	20,040.20	1,732.95	21,773.15	12,525.13
	2,761,471.18	1,184,373.44	3,945,844.62	$ 4,668,800.68
Sundry indirect subsidiaries		35.00	35.00	
Per Balance Sheet, December 31, 1941 - page 9	$ 2,761,471.18	1,184,408.44	3,945,879.62	

Indebtedness not current	December 31, 1940	December 31, 1941	Increase or decrease*
National Tunnel & Mines Company	$	470,554.16	470,554.16
Walker Mining Company	797,479.10	657,391.97	140,087.13*
Comet Coalition Mines Company	26,617.67	31,846.41	5,228.74
Eureka Bullion Mining Company	20,709.51	22,847.95	2,138.44
Park Konold Mines Corporation	112,294.47		112,294.47*
Park Nelson Mining Company	29,062.90		29,062.90*
Park Premier Mining Company	226,603.23		226,603.23*
Yankee Consolidated Mining Company		1,732.95	1,732.95
Sundry indirect subsidiaries		35.00	35.00
	$ 1,212,766.88	1,184,408.44	28,358.44*

CURRENT INDEBTEDNESS			
Mountain City Copper Company	$ 130,913.43	73,754.29	57,159.14*
Mountain View Mining Company		310.00	310.00
Yankee Consolidated Mining Company	38.10		38.10*
Sundry indirect subsidiaries	75.00	17.10	57.90*
	$ 131,026.53	74,081.39	56,945.14*

INVESTMENT IN AND INDEBTEDNESS OF WHOLLY OWNED SUBSIDIARIES

	Shares	Par value	Investment	Indebtedness - not current	Total investment and indebtedness	Net income or loss* of the year 1941
International Building Association	10	$ 1,000.00	1,000.00	111,231.89	112,231.89	$ 3,146.76
New Jersey Storage and Warehouse Company	10	1,000.00	1,000.00		1,000.00	6.00*
Raritan Copper Works	10	1,000.00	1,000.00		1,000.00	- -
Raritan Terminal and Transportation Company	400	40,000.00	40,000.00		40,000.00	426.33*
Per Balance Sheet, December 31, 1941 - page 9			$ 43,000.00	111,231.89	154,231.89	
						$ 2,714.43
Less indebtedness to wholly owned subsidiaries:						
New Jersey Storage and Warehouse Company				$ 712.93		
Raritan Copper Works				1,000.00		
Raritan Terminal and Transportation Company				18,677.83		
Per Balance Sheet, December 31, 1941 - page 9					20,390.76	
Net investment					133,841.13	
The above net investment at December 31, 1941 is represented as follows:						
Assets:						
Lands, principally for resale				43,126.22		
Buildings and railroad construction			$ 30,385.10			
Less reserve for depreciation			21,385.40	8,999.70		
Prepaid expenses				104.54		
Installment house and land sales contracts				55,192.32		
Accounts receivable				981.68		
Cash				213.01		
				108,617.47		
Less liabilities:						
Accounts payable			1,538.82			
Wages payable			25.24			
Taxes accrued			229.06			
Deferred income			40.80	1,833.92		
Net assets					106,783.55	
Difference, being accumulated operating deficits to December 31, 1941					$ 27,057.58	
Net investment - December 31, 1940					$ 143,436.81	
Repayment of advances - net - year 1941					9,595.68	
Net investment - December 31, 1941 - as above					$ 133,841.13	

MINE DEVELOPMENT

Expenditures on properties leased from Copper Canyon Mining Company:	
Carried in Deferred expenses at December 31, 1940	$ 28,149.34
Transferred from books of Anaconda Copper Mining Company	3,971.06
Expenditures year 1941, less proceeds of ore sales	516,406.11
Per Balance Sheet, December 31, 1941 - page 9	$ 548,526.51

PREPAID EXPENSES

	December 31, 1940	December 31, 1941	Increase
Prepaid insurance	$ 17,824.83	35,458.17	17,633.34
Sundry	154.13	4,237.49	4,083.36
Per Balance Sheet - page 9	$ 17,978.96	39,695.66	21,716.70

DEFERRED EXPENSES

	December 31, 1940	December 31, 1941	Increase decrease*
Tooele plant:			
Expenditures on account of option to purchase stock of Copper Canyon Mining Company (classified as Mine Development at December 31, 1941)	$ 28,149.34	- -	28,149.34*
Prepaid rental	1,240.00	- -	1,240.00*
Advance on purchase contract	1,711.60	761.81	949.79*
Sundry deferred expenses	326.10	940.22	614.12
	31,427.04	1,702.03	29,725.01*
Zinc oxide department - club memberships	700.00	700.00	- -
Raritan refinery - Perth Amboy General Hospital building fund	- -	18,000.00	18,000.00
Raritan secondary metals department - blast furnace slag treatment expense	15,116.25	13,985.51	1,130.74*
Investments and advances - Yampa Lease Incorporated	- -	2,361.29	2,361.29
Per Balance Sheet - page 9	$ 47,243.29	36,748.83	10,494.46*

METALS AND MANUFACT

	Tooele plant	Miami plant	Lead refinery	Zinc oxide department	White 1 departm
AMOUNT					
Copper	$ 80,139.89	217,071.32			
Zinc				9,814.61	
Lead	431,274.88		56,622.51		12,193
Silver	495,820.53	48,044.88	314,759.50		
Gold	326,168.19	46,520.26	2,417.91		
Miscellaneous metals	17,561.70				
Manufactured products:					
Zinc oxide				237,189.89	
White lead					225,555
Electro-sheet copper					
Prepaid billet cost					
Prepaid freight	9.56			4,344.97	10,966
	1,350,974.75	311,636.46	373,799.92	251,349.47	248,715
Less reserves for freight, refining, etc.	117,023.09	89,673.97			
Per Balance Sheet - page 9	$ 1,233,951.66	221,962.49	373,799.92	251,349.47	248,715
Decrease in depreciation included in above inventories - details page 16					
Per page 5					
POUNDS					
Copper	685,852	2,155,705			
Zinc				198,596	
Lead	9,402,112		805,109		260,
CENTS PER POUND					
Copper	9.872	10.070			
Zinc				4.942	
Lead	4.468		7.033		4.

SILVER - total for all departments - covered by affidavits
- not covered by affidavits

As above

GOLD - total for all departments - as above

METALS AND MANUFACTURED PRODUCTS - FINISHED

y	Zinc oxide department	White lead department	Raritan refinery	Raritan secondary metals department	Raritan electro-sheet department	Total December 31, 1941	Total December 31, 1940	Decrease or increase*
			531,341.69	592,559.09		1,421,112.19	$ 2,878,551.70	$ 1,457,439.51
	9,814.61					9,814.61	43,646.74	33,832.13
.51		12,193.04				500,090.43	842,163.49	342,073.06
.50			149,223.93			1,007,848.84	1,193,922.66	·186,073.82
.91			329,794.49			704,900.85	968,486.66	263,585.81
			4,192.26	166,423.53		188,177.49	387,328.67	199,151.18
	237,189.89					237,189.89	230,326.34	6,863.55*
		225,555.82				225,555.82	253,981.80	28,425.98
					5,332.76	5,332.76	9,105.71	3,772.95
			49,381.96			49,381.96	63,047.07	13,665.11
	4,344.97	10,966.50				15,321.03	17,356.93	2,035.90
.92	251,349.47	248,715.36	1,063,934.53	758,982.62	5,332.76	4,364,725.87	6,887,917.77	2,523,191.90
			75,484.58	86,635.37		368,817.01	490,195.70	121,378.69
.92	251,349.47	248,715.36	988,449.95	672,347.25	5,332.76	3,995,908.86	$ 6,397,722.07	2,401,813.21
								10,954.51
								$ 2,390,858.70
			6,404,773	6,274,642		15,520,972	29,868,007	14,347,035
	198,596					198,596	906,098	707,502
109		260,508				10,467,729	17,952,543	7,484,814
			8.296	8.063		9.156	9.638	
	4.942					4.942	4.817	
.033		4.680				4.777	4.691	

Ounces	Price	Amount - as above
816,209.30	71.0238¢	$ 579,702.86
1,232,074.74	34.75	428,145.98
2,048,284.04	49.2045¢	$ 1,007,848.84
20,664.651	$ 34.114	$ 704,900.85

[redacted]

ACCOUNTS AND NOTES RECEIV

		Tooele plant	Miami plant	Lead refinery	Zinc o depart
For tolls and for metals and manufactured products:					
Inspiration Consolidated Copper Company	$		111,184.27		
Miami Copper Company			391,133.06		
United States Assay Office					
Mines Products Company					
Sundry customers		75,399.83			159,598.
		75,399.83	502,317.33		159,598.
Advances to National Tunnel and Mines Company (affiliate in 1941)					
Sundry debtors		26,376.97	9,455.94	29,841.99	
		101,776.80	511,773.27	29,841.99	159,598.
Less reserve for doubtful notes and accounts					30,177.6
Per Balance Sheet - page 9	$	101,776.80	511,773.27	29,841.99	129,420.4

[redacted]

NTS AND NOTES RECEIVABLE - TRADE, LESS RESERVE

Lead refinery	Zinc oxide department	White lead department	Raritan refinery	Investments and advances	Items not allocated to departments	Total December 31, 1941	Total December 31, 1940
						111,184.27	$ 51,906.67
						391,133.06	297,246.86
					331,559.41	331,559.41	- -
							175,691.80
	159,598.05	128,322.45	30,961.98			394,282.31	443,923.63
	159,598.05	128,322.45	30,961.98		331,559.41	1,228,159.05	968,768.96
							70,000.00
29,841.99			1,524.14	7,608.65	185.90	74,993.59	54,299.74
29,841.99	159,598.05	128,322.45	32,486.12	7,608.65	331,745.31	1,303,152.64	1,093,068.70
	30,177.61	12,966.20				43,163.81	39,333.51
29,841.99	129,420.44	115,356.25	32,486.12	7,608.65	331,745.31	1,259,988.83	$ 1,053,735.19

[redacted]

ACCOUNTS WITH AFFILIATES

	December 31, 1940	December 31, 1941	Increase decrease*
counts receivable from:			
The American Brass Company	$ 2,277.12	650.30	1,626.82*
Anaconda Copper Mining Company		1,800.22	1,800.22
Anaconda Sales Company	248,446.30	314,947.32	66,501.02
Anaconda Wire and Cable Company	16,178.27	11,578.26	4,600.01*
The Cananea Consolidated Copper Company, S. A.		98.31	96.31
Chile Exploration Company	15,405.31	- -	15,405.31*
	282,307.00	329,074.41	46,767.41
Net off accounts payable to:			
The American Brass Company	532.35	- -	532.35*
Anaconda Wire and Cable Company	62.61	790.69	728.08
Anaconda Copper Mining Company		1,800.22	1,800.22
	594.96	2,590.91	1,995.95
Per Balance Sheet - page 9	$ 281,712.04	326,483.50	44,771.46

Accounts payable to:			
The American Brass Company	$ 532.35	- -	532.35*
Anaconda Copper Mining Company	21,098.90	21,098.90	- -
Anaconda Wire and Cable Company	62.61	790.69	728.08
Chile Steamship Company Incorporated	7,104.23	2,335.69	4,768.54*
Montana Hardware Company	8,305.09	5,095.28	3,209.81*
Tooele Valley Railway Company	11,784.09	12,215.85	431.76
	48,887.27	41,536.41	7,350.86*
Net off accounts receivable, as above	594.96	2,590.91	1,995.95
Per Balance Sheet - page 9	$ 48,292.31	38,945.50	9,346.81*

CASH

	December 31, 1940	December 31, 1941
Cash in banks:		
Chase National Bank, New York	$ 208,841.04	157,776.90
Continental National Bank and Trust Company of Salt Lake City, Utah	49,852.32	77,992.19
First National Bank of Salt Lake City, Tooele, Utah	49,882.90	49,843.83
Battle Mountain State Bank, Battle Mountain, Nevada	994.03	1,638.08
Valley National Bank, Globe, Arizona	15,767.05	12,165.87
First National Bank in East Chicago, Indiana	12,393.73	14,107.78
Firestone Park Trust and Savings Bank, Akron, Ohio	25,000.00	25,000.00
First Bank and Trust Company, Perth Amboy, New Jersey	29,297.99	26,731.96
	392,029.06	365,256.61
Less outstanding drafts on New York office, deposited in banks	173,342.11	82,502.81
	218,686.95	282,753.80
Petty cash	908.49	968.85
Per Balance Sheet - page 9	$ 219,595.44	283,722.65

ADVANCES TO SUNDRY MINING COMPANIES, INCLUDING ADVANCES ON ORES

	December 31, 1940	December 31, 1941	Increase decrease*
Ore purchase accounts:			
Good	$ 7,185.58	23,131.40	15,945.82
Good but slow	1,652.53	- -	1,652.53*
Fair but slow	42,552.82	40,123.88	2,428.94*
	51,390.93	63,255.28	11,864.35
Other notes and accounts:			
Afterthought Mines Corporation	4,978.54	6,440.78	1,462.24
Copper Canyon Mining Company		8,353.83	8,353.83
New Quincy Mining Company	29,854.31	29,668.40	185.91*
Panther Mines Company	9,788.19	9,579.73	208.46*
Prince Consolidated Mining Company	35.50	13,872.72	13,837.22
Sundry - Tooele plant	7,701.79	6,594.42	1,107.37*
- Copper Canyon operations		406.88	406.88
	52,358.33	74,916.76	22,558.43
	103,749.26	138,172.04	34,422.78
Less reserve for doubtful accounts	43,456.19	49,289.17	5,832.98
Per Balance Sheet - page 9	$ 60,293.07	88,882.87	28,589.80
Investments and advances:			
Prince Consolidated Mining Company	$ 35.50	13,872.72	13,837.22
Afterthought Mines Corporation	4,978.54	6,440.78	1,462.24
Copper Canyon operations			
- Copper Canyon Mining Company		8,353.83	8,353.83
- Sundry accounts		406.88	406.88
	5,014.04	29,074.21	24,060.17
Tooele plant:			
Ore purchase accounts	51,390.93	63,255.28	11,864.35
New Quincy Mining Company	29,854.31	29,668.40	185.91*
Panther Mines Company	9,788.19	9,579.73	206.46*
Sundry Accounts	7,701.79	6,594.42	1,107.37*
	98,735.22	109,097.83	10,362.61
Less reserve for doubtful accounts	43,456.19	49,289.17	5,832.98
	55,279.03	59,808.66	4,529.63
As above	$ 60,293.07	88,882.87	28,589.80

RESERVE FOR WORKMEN'S COMPENSATION INSURANCE

	Balance December 31, 1940	Additions - details below	Transfers - debit* or credit	Deductions - compensation paid, medical and hospital expenses, etc.	Balance December 31, 1941
Tooele plant	$ 4,082.85	46,596.01		31,585.09	19,093.77
Ophir Hill	2,360.47		2,360.47*		- -
Lead refinery	12,279.79	2,239.65		3,566.08	10,953.36
Zinc oxide department	8,913.49	1,878.57		1,503.41	9,288.65
White lead department	3,140.91	686.45		735.41	3,091.95
Raritan refinery	4,949.53	21,038.32		13,062.00	12,925.85
Investments and advances			2,360.47		2,360.47
Per Balance Sheet - page 9	$ 35,727.04	72,439.00	- -	50,451.99	57,714.05

Details of additions - year 1941

	Total as above	Charged cost	Pay roll deductions
Tooele plant	$ 46,596.01	36,754.29	9,841.72
Lead refinery	2,239.65	2,239.65	
Zinc oxide department	1,878.57	1,878.57	
White lead department	686.45	686.45	
Raritan refinery	21,038.32	21,038.32	
	$ 72,439.00	62,597.28	9,841.72

ACCOUNTS PAYABLE - TRADE

	December 31, 1940	December 31, 1941
Ore purchases - Tooele plant	$ 191,688.70	129,385.91
Reserve for unearned tolls - Raritan refinery	67,545.16	134,318.13
Sundry creditors	642,900.36	547,012.06
Per Balance Sheet - page 9	$ 902,134.22	810,716.10

ACCRUED TAXES

	Tooele plant	Miami plant	Lead refinery	Raritan refinery	Investments and advances	Items not allocated to departments	Total December 31, 1941	Total December 31, 1940
Federal old age benefits tax	$ 4,450.51	1,051.54	2,281.46	6,594.46		155.03*	14,222.94	$ 12,288.21
Federal and state unemployment insurance taxes	16,076.76	4,716.93	9,188.66	26,108.11	940.64	36.42*	56,994.68	48,631.32
Federal income and excess profits taxes						568,580.82	568,580.82	256,000.00
Federal capital stock tax						11,250.00	11,250.00	10,000.00
Real estate taxes		8,199.47			1,140.59		9,340.06	21,559.15
Utah mining occupation tax							- -	3,151.68
Sundry	505.01	1,283.71					1,788.72	1,030.61
Per Balance Sheet, December 31, 1941 - page 9	$ 21,032.28	15,251.65	11,470.12	32,702.57	2,081.23	579,639.37	662,177.22	$352,660.97

* denotes debit

OTHER ACCRUED LIABILITIES

	December 31, 1940	December 31, 1941
Reserve for repairs - Raritan electro-sheet department (details below)	$ 11,276.03	11,525.36
Reserve for United States customs warehouse storage cost - Raritan	323.26	80.77
Liability for unpaid compensation insurance - Zinc oxide department, Akron	318.11	- -
Per Balance Sheet - page 9	$ 11,917.40	11,606.13

Details of Reserve for repairs - Raritan electro-sheet department

	Balance December 31, 1940	Additions - charged operating expense	Deductions - expended for repairs	Balance December 31, 1941
Reserve for lead anode renewals	$ 3,071.16	904.87	1,004.17	2,971.86
Reserve for drum surface renewals	8,204.87	3,080.21	2,731.58	8,553.50
As above	$ 11,276.03	3,985.08	3,735.75	11,525.36

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
Balance December 31, 1940	$8,000,000.00	2,250,000.00	2,500,000.00	12,750,000.00
Payments 1941:				
February 28, 1941			500,000.00	500,000.00
April 7, 1941			500,000.00	500,000.00
May 19, 1941			500,000.00	500,000.00
July 23, 1941			250,000.00	250,000.00
August 31, 1941			500,000.00	500,000.00
Total payments 1941			2,250,000.00	2,250,000.00
Per Balance Sheet, December 31, 1941 - page 9	$8,000,000.00	2,250,000.00	250,000.00	10,500,000.00

Interest accrued and paid

Balance December 31, 1940	$ 21,098.90	- -	- -	21,098.90
Accrued 1941, per Income Account - page 10	480,000.00	112,500.00	19,918.37	612,418.37
	501,098.90	112,500.00	19,918.37	633,517.27
Paid 1941	480,000.00	112,500.00	19,918.37	612,418.37
Balance December 31, 1941	$ 21,098.90	- -	- -	21,098.90

OTHER DIVIDENDS AND INTEREST

	Year 1940	Year 1941
Interest received:		
On advances:		
To subsidiaries not wholly owned:		
Comet Coalition Mines Company	$ 1,787.28	$ 1,704.73
Eureka Bullion Mining Company	1,168.09	1,253.44
National Tunnel & Mines Company		3,854.16
Yankee Consolidated Mining Company		17.95
	2,955.37	6,830.28
Walker Mining Company	16,795.49	18,554.23
	19,750.86	25,384.51
Tooele Valley Railway Company	7,288.21	2,674.05
International Building Association	4,797.57	2,837.42
	31,836.64	30,895.98
On refund of capital stock tax	1,692.10	- -
Miscellaneous - net	194.50	448.04
	33,723.24	31,344.02
Dividends received:		
Park-Utah Consolidated Mines Company	6,980.00	6,980.00
Miscellaneous	1.88	1.88
Per Income Account - page 10	$ 40,705.12	$ 38,325.90

MISCELLANEOUS INCOME OR LOSS*

	Year 1940	Year 1941
ami plant - rents	$ 1,728.00	$ 1,728.00
phir Hill plant - rents	285.00	- -
inc oxide department:		
Loss on sale of land - Akron, Ohio (sales price $14,000.)		24,749.35*
Loss on securities sold - details below		4,916.37*
		29,665.72*
aritan refinery:		
Record storage rents	1,350.00	1,350.00
Copper storage rents	87,532.32	5,323.94
Discount on prepayment of taxes	3,008.08	2,976.95
Loading and unloading lighters	15,763.44	5,286.15
	107,653.84	14,937.05
Investments and advances:		
Park-Utah Consolidated Mines Company - reimbursement for dividends of prior years not received by the company	1,200.00	1,300.00
Outside property income and expense, Tooele (net expense*)	9.97*	579.90
Ophir Hill - rents	- -	220.00
Loss on securities - details below	- -	4,632.29*
	1,190.03	2,532.39*
Per Income Account - page 10	$ 110,856.87	$ 15,533.06*

Details of loss on securities sold

	Cost - page 20	Sales price	Loss- as above
Zinc oxide department:			
Delaware Floor Products Company:			
Second-mortgage bonds	$ 2,600.00	798.20	1,801.80
Common stock	2,580.50	50.43	2,530.07
National Fireproofing Company			
- common stock	65.01	.99	64.02
- debentures	200.00	40.65	159.35
Northwestern Terra Cotta Corporation - common stock	367.78	6.65	361.13
As above	5,813.29	896.92	4,916.37
Investments and advances:			
Viscosity Oil Company - common stock	$ 35.62	35.62	- -
Condor Gold Mining Company:			
Investment written off	4,632.29	- -	4,632.29
As above	4,667.91	35.62	4,632.29
	$10,481.20		

LOSS ON DISPOSAL OR DISMANTLEMENT OF FIXED ASSE

	Cost of buildings and machinery sold or dismantled - page 15	Accumulated depreciation - page 16
Tooele plant	$ 87,330.59	58,577.47
Lead refinery	3,380.47	3,235.50
Zinc oxide department	89,199.75	54,457.36
White lead department		
Raritan refinery	42,657.46	42,610.06
Investments and advances - Rico	27,408.88	
- Ophir Hill		
	$ 249,977.15	158,880.39

Per Income Account, year 1941 - page 10

INVESTMENTS IN AND ADVANCES TO CERTAIN SUBSIDIARY MINING COMPANIES WRITTEN OFF, OPERATIONS HAVING BEEN DISCONTINUED

	Investment	Advances	Total
Park Konold Mines Corporation	$ 37,644.27	112,415.82	150,060.09
Park Nelson Mining Company	1.00	29,182.21	29,183.21
Park Premier Mining Company	1.00	225,540.19	225,541.19
Walker Mining Company	882,049.50		882,049.50
Per Income Account, year 1941 - page 10	$ 919,595.77	367,138.22	1,286,833.99

	Wholly owned subsidiaries	C
BALANCE SHEET ITEMS		
Mines and mining claims and lands	$	
Buildings and machinery		
Investments:		
Securities of subsidiaries - not wholly owned		1,
- wholly owned	43,000.00	
Other security investments		
Indebtedness of subsidiaries - not current - not wholly owned		
- wholly owned	111,231.89	
Mine development		
Prepaid expenses		
Deferred expenses		
Supplies on hand		
Accounts receivable - trade		
Cash		
Advances to sundry mining companies, including advances on ores, less reserve		
Advances to Tooele Valley Railway Company		
	154,231.89	1,
Reserve for workmen's compensation insurance		
Accounts payable - trade		
Wages payable		
Accrued taxes		
Indebtedness to subsidiaries - not wholly owned		
- wholly owned	20,390.76	
	20,390.76	
Net investment	$ 133,841.13	1,
INCOME ACCOUNT ITEMS		
Sales	$	
Cost of sales		
Provision for depreciation and loss (profit*) on disposal or dismantlement of fixed assets		
Income or loss* from operations		
Other income:		
Dividend from Mountain City Copper Company	2,837.42	
Other dividends and interest		
Miscellaneous income or loss*		
Investments and advances written off		
	2,837.42	
Net income or loss*	$ 2,837.42	

DETAILS OF INVESTMENTS AND ADVANCES

	Wholly owned subsidiaries	Mountain City Copper Company	National Tunnel & Mines Company	Walker Mining Company	Other subsidiaries not wholly owned	Park-Utah Consolidated Mines Company	Prir Consol Mir Comp
	$						
owned		1,143,281.33	915,693.92		702,495.93		
ned	43,000.00						
rent - not wholly owned			470,554.16	657,391.97	56,462.31	441,157.50	47,13
- wholly owned	111,231.89						
luding advances on ores,							
y							13,8
	154,231.89	1,143,281.33	1,386,248.08	657,391.97	758,958.24	441,157.50	61,00
ance					3,000.00		
owned					1,365.00		
ned	20,390.76						
	20,390.76				4,365.00		
	$ 133,841.13	1,143,281.33	1,386,248.08	657,391.97	754,593.24	441,157.50	61,00
	$						
fit*) on disposal or							
pany	2,837.42	365,733.50	3,854.16	18,554.23	2,976.12	6,960.00 1,300.00	12
				882,049.50*	404,784.49*		
	2,837.42	365,733.50	3,854.16	863,495.27*	401,808.37*	8,260.00	12
	$ 2,837.42	365,733.50	3,854.16	863,495.27*	401,808.37*	8,260.00	12

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nce lidated ning pany	Condor Gold Mining Company	Afterthought Mines Company	Copper Canyon operations	Tooele Valley Railway Company	Ophir Hill	Rico	Mines department, outside exploration, etc.	Total - pages 11 and 12
						2,480.00	134,998.52	137,478.52
						2,547.81		2,547.81
								2,761,471.18
								43,000.00
.32.86			8,600.00					496,890.36
								1,184,408.44
								111,231.89
			548,526.51					548,526.51
			1,887.21		279.27	156.22		2,322.70
							2,361.29	2,361.29
			136,102.79			2,157.79		138,260.58
			7,608.65					7,608.65
			1,657.81					1,657.81
372.72		6,440.78	8,760.71					29,074.21
				95,000.00				95,000.00
05.58		6,440.78	713,143.66	95,000.00	279.27	7,341.82	137,359.81	5,561,639.95
					2,360.47			2,360.47
			2,840.73					5,540.73
				5,719.92				5,719.92
				1,736.77		344.46		2,081.23
								1,365.00
								20,390.76
			2,840.73	7,456.69	2,360.47	344.46		37,758.11
05.58		6,440.78	710,302.95	87,543.31	2,081.20*	6,997.36	137,359.81	5,524,061.84
					174.84	592.79		767.63
					159.80	3,953.66	24,303.21	28,416.67
					12,355.44*		283.92	12,071.52*
					12,195.64*	3,953.66	24,587.13	16,345.15
					12,370.48	3,360.87*	24,587.13*	15,577.52*
								365,733.50
27.28				2,674.05				38,003.26
	4,632.29*				220.00		579.90	2,532.39*
								1,286,833.99*
27.28	4,632.29*			2,674.05	220.00		579.90	885,629.62*
27.28	4,632.29*			2,674.05	12,590.48	3,360.87*	24,007.23*	901,207.14*

[redacted]

DETAILS OF ITEMS NOT ALLOCATED TO DEPARTMENTS

LANCE SHEET ITEMS

Accounts receivable - trade - United States assay office		$ 331,745.31
- affiliates - Anaconda Sales Company		314,947.32
Cash - Chase National Bank, New York		75,274.09
		721,966.72
Accounts payable - trade - Chadbourne, Wallace, Parke & Whiteside	$ 10,000.00	
- sundry	1,019.72	11,019.72
Taxes accrued - Federal income and excess profits taxes	568,580.82	
- Federal capital stock tax	11,250.00	
- employer's portion of social security taxes on New York employees (debit*)	191.45*	579,639.37
Indebtedness to affiliates - Anaconda Copper Mining Company - interest accrued	21,098.90	
- Chile Steamship Company	2,335.69	23,434.59
		614,093.68
Excess of assets over liabilities - page 11		$ 107,873.04

INCOME ACCOUNT ITEMS

Cost of sales - General expense - New York office	$ 83,716.59	
- Capital stock tax	23,750.00	
- Sundry taxes	2.00	107,468.59
Interest received on Federal unemployment tax refund (credit*)		23.48*
		107,445.11
United States income and excess profits taxes - estimated		537,400.00
		644,845.11
Interest on debentures and notes payable to Anaconda Copper Mining Company		612,418.37
Net loss - page 12		$ 1,257,263.48

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