

## ITOGON ANNUAL MEETING

The stockholders of the Itogon Mining Company approved at the annual meeting on March 5, 1939, to increase the capitalization of the company from ₱2,000,000 to ₱2,500,000. The additional 5,000,000 shares of par value of ten centavos each, are to be offered pro-rata to stockholders of record as of March 20, 1939, at ₱.25 each.

It was explained at the meeting that this move would enable the company to pay off its obligations and thus make possible the resumption of dividends at an earlier date.

The ore reserve situation of the company was explained to the stockholders by J. O. Enberg, Chairman of the Board of Consulting Engineers of Marsman & Company. The ore blocked out as of January 1, 1939, is 247,800

tons, valued at ₱3,325,000. It was explained further that this does not by any means represent the full ore possibilities of Itogon. Above the 500 foot level there is some two years' supply; between the 500 and 875 levels, 32 months; and from the 875 to the 1300 levels, from 4 to 5 years. The mine has a life of at least 8, and probably 10 years, with every likelihood of even longer as development work progresses.

The stockholders unanimously re-elected the following board of directors: J. H. Marsman, Mrs. Mary A. Marsman, Benj. S. Ohnick, H. M. Cavender, M. Simpson, Judge Manuel Camus, and E. Heybrook.

A vote of thanks to Marsman & Company for its efficient and excellent services during the past year.

## ITOGON MINING COMPANY

### OPERATING ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER, 1938

To Operating Costs:	
Mine Operating .....	₱1,409,938.89
Mill Operating .....	671,434.22
Mine General .....	275,366.40
	₱2,356,739.51
To Marketing Expenses—See Schedule .....	43,329.18
To Other Mine General Expenses—See Schedule .....	223,764.61
To Depreciation .....	495,883.10
To Operating Profit .....	1,055,924.41
	₱4,175,640.81
By Bullion Produced .....	₱4,150,503.96
By Miscellaneous Income .....	25,136.85
	₱4,175,640.81

# ITOGON MINING COMPANY

## BALANCE SHEET

AS AT 31st DECEMBER, 1938

### ASSETS

**FIXED ASSETS:**

Mine & Mining Properties .....	P1,438,948.53	
Capital Development .....	1,292,536.34	P2,731,484.87
Mill Buildings .....	P 217,095.29	
Mill Machinery & Equipment .....	952,603.35	
Powerhouse Building .....	24,181.43	
Powerhouse Machinery & Equipment .....	511,190.28	
Mine Buildings .....	18,865.97	
Mine Machinery & Equipment .....	885,085.61	
Assay Office Building .....	11,675.04	
Assay Office Machinery & Equipment .....	16,195.66	
Blacksmith Shop Building .....	11,646.72	
Blacksmith Shop Machinery & Equipment .....	29,987.59	
Carpenter Shop Building .....	6,081.18	
Carpenter Shop Machinery & Equipment .....	16,757.12	
Camp Buildings .....	386,520.85	
Water Supply Installations .....	54,868.87	
Light & Power Installation .....	83,561.17	
Hospital Building .....	23,914.95	
Hospital Equipment .....	12,339.42	
Furniture and Fixtures .....	53,929.55	
Miscellaneous .....	56,386.09	
Tools & Engineering Equipment .....	23,806.94	
Roads, Trails & Bridges .....	46,778.71	
Flood Control .....	83,675.54	
	P3,527,147.33	
Less—Reserve for Depreciation .....	1,757,012.25	1,770,135.08

**CURRENT ASSETS:**

Cash on Hand & In Bank .....	P 30,138.84	
Guaranty Deposits .....	1,600.00	
Accounts Receivable .....	8,024.30	
Bullion in Transit .....	491,346.95	
Bullion on Hand .....	85,311.04	
Production Pending Outturn .....	1,382.79	
Machinery Parts & Supplies .....	545,131.71	1,162,935.63

**DEFERRED ASSETS:**

Prepaid Charges .....		30,555.10
		P5,695,110.68

# ITOGON MINING COMPANY

## LIABILITIES

### CURRENT LIABILITIES:

Accounts Payable .....	P	181,296.25	
Advances—Marsman & Company, Inc. ....		11,024.53	
Marsman Trading Corporation .....		418,899.36	
Bills Against Bullion Shipments .....		443,041.23	
China Banking Corporation—Overdraft .....		4,948.62	
Accrued Payrolls .....		49,347.86	
Accrued Taxes .....		32,757.66	
Unclaimed Wages .....		6,432.88	
Chapa Deposits .....		13,339.58	
Bills Payable .....		50,070.00	
Accrued Expenses .....		4,207.44	
Notes Payable .....		395,876.29	
Unclaimed Dividends .....		3,055.74	P1,614,297.44

### RESERVES:

Income Tax .....			47,070.32
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### NET WORTH:

#### Capital—

##### Authorized—

20,000,000 Shares of 10¢ each .....		P2,000,000.00	
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##### Issued—

20,000,000 Shares of 10¢ each Fully Paid ...		P2,000,000.00	
Stock Premium .....		319,804.65	

##### Surplus—

Balance at 1st January, 1938 ...		P929,432.95	
Net Profit for Year 1938 .....		784,505.32	1,713,938.27
			4,033,742.92

There is a contingent liability for machinery parts and supplies ordered under irrevocable letter of credit amounting to P78,840.00.

P5,695,110.68

Manila, P. I., 1st February, 1939.

We have examined the books and accounts of the Itogon Mining Company, Inc., for the year ended 31st December, 1938 and have compared them with the Mine Manager's Certified Returns, which have not been audited by us. No provision has been made for ore depletion. Subject to the foregoing in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st December, 1938, according to the best of our information and the explanations given us and as shown by the books.

# ITOGON MINING COMPANY

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER, 1938

To Administration Expenses .....	₱ 65,875.26	
To General Overhead:		
Audit Fees .....	₱ 3,000.00	
Bonuses .....	8,709.76	
Documentary Stamps .....	174.66	
Fees & Licenses .....	520.90	
Income Tax .....	47,070.32	
Insurance .....	46,765.38	
Interest .....	60,379.59	
Leave Salaries .....	10,865.07	
Legal & Notary Fees .....	6,369.50	
Miscellaneous .....	2,999.59	
Postage .....	241.28	
Stationery & Supplies .....	504.93	
Subscriptions & Contributions .....	16,648.99	
Telephone, Radios & Telegrams ....	1,293.86	205,543.83
To Net Profit for the Year .....		784,505.32
		<u>₱1,055,924.41</u>
By Operating Profit .....	₱1,055,924.41	
		<u>₱1,055,924.41</u>

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