

LEM

Decision No. 17012

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

ORIGINAL

In the Matter of the Application of)
WESTLAND WAREHOUSES, INC.,)
to issue and sell \$15,000.00 addi-)
tional common stock.)

Application No. 13421

Le Roy M. Edwards, for applicant.

BY THE COMMISSION:

O P I N I O N

Westland Warehouses, Inc., asks permission to issue and sell to The Los Angeles Corporation, \$15,000.00 of its common capital stock at par for cash.

The application shows that the company was organized on or about December 17, 1923, under the name of Westland Distribution and Storage Warehouse Company, which name, however, later was changed to Westland Warehouses, Inc. under a decree, dated August 2, 1926, of the Superior Court in and for the County of Los Angeles. The corporation heretofore has been before the Commission for permission to issue stock and by Decision No. 15026 dated June 6, 1925, was authorized to issue and sell at par for cash \$10,000.00 of stock for the purpose of acquiring warehouse equipment and of conducting warehouse operations. The \$10,000.00 of stock was issued and is reported held as follows:-

The Los Angeles Corporation	\$9,995.00
Carleton B. Swift	1.00
C. J. Doherty	1.00
L. D. Owen	1.00
K. J. Good	1.00
H.E.Poronto	1.00
Total	<u>\$10,000.00</u>

Applicant is owned and controlled by The Los Angeles Corporation, which in turn owns the stock of the Central Manufacturing District, Inc., Los Angeles Union Stock Yards and Los Angeles Junction Railway Company. Applicant leases from the Central Manufacturing District, Inc., a large reinforced concrete warehouse, situated within the district and it reports that it is handling practically all the warehousing for the industries located in the Central Manufacturing District, as well as doing a general warehouse business, both public utility and non-public utility in character.

The company reports its assets and liabilities, as of November 30, 1926, as follows:-

ASSETS:

Investment:			
Equipment	\$4,271.32		
Furniture	<u>2,199.37</u>	\$6,470.69	
Less depreciation		<u>1,498.66</u>	\$4,972.03
Working assets:			
Notes receivable		1,549.00	
Cash		310.03	
Accounts receivable		29,622.49	
Materials and supplies . . .		<u>1,403.18</u>	32,884.70
Deferred debit items			<u>2,046.39</u>
	Total.....		<u>\$59,903.12</u>

LIABILITIES:

Capital stock			\$10,000.00
Current liabilities:			
Audited vouchers		56,685.61	
Accrued payroll		<u>78.45</u>	56,764.06
Deferred credit items			1,397.30
Profit and loss-debit balance			<u>28,258.24</u>
	Total.....		<u>\$59,903.12</u>

For the eleven months ending November 30, 1926 applicant reports earnings of \$79,318.45 and expenses of \$89,881.52 resulting in a net loss of \$10,563.07. The operating expenses include \$42,566.69 for rent.

In now seeking authority to issue \$15,000.00 of stock, which amount constitutes the remaining stock authorized by the Articles of Incorporation but unissued, applicant asks permission to use the proceeds to pay outstanding obligations and to reimburse its treasury

for moneys actually expended from income. We believe, after reviewing the company's financial statements that the issue of the additional stock should be authorized, but that the proceeds should be used only for the purpose of paying the indebtedness. As shown in the foregoing balance sheet, applicant's outstanding indebtedness, as of November 30th, aggregated \$56,764.06, of which it appears that \$55,088.87 was due the Central Manufacturing District, Inc.

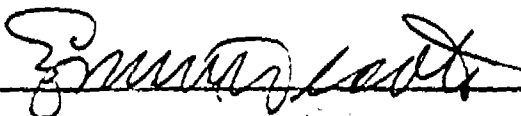
ORDER

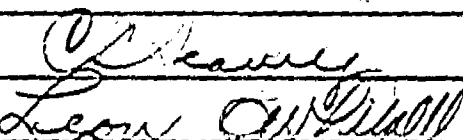
Westland Warehouse, Inc. having applied to the Railroad Commission for permission to issue and sell \$15,000.00 of stock, and the Commission being of the opinion that this is a matter in which a public hearing is not necessary, and that the money, property or labor to be procured or paid for through the issue of such stock is reasonably required for the purpose specified herein,


IT IS HEREBY ORDERED that Westland Warehouses, Inc. be and it hereby is, authorized to issue and sell for cash on or before June 30, 1927 to The Los Angeles Corporation for cash at not less than par, \$15,000 of its common capital stock and to use the proceeds to pay in part outstanding indebtedness.

IT IS HEREBY FURTHER ORDERED that applicant shall keep such record of the issue and sale of the stock herein authorized and of the disposition of the proceeds as will enable it to file, on or before the 25th day of each month a verified report, as required by the Railroad Commission's General Order No. 24, which order, insofar as applicable, is made a part of this order.

DATED at San Francisco, California, this 18th day of January, 1927.







Commissioners