

LBM

Decision No. 24207.

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of)	
NELSON STEAMSHIP COMPANY,)	
a corporation, for an order author-)	Application No. 17745
izing the issue of capital stock.)	

Thelen & Marris, for applicant.

BY THE COMMISSION:

ORIGINAL

O P I N I O N

Nelson Steamship Company has applied to the Railroad Commission for authority to issue 10,000 shares of common capital stock of the aggregate par value of \$100,000.00 for the purpose of reimbursing its treasury and of providing working capital.

The application shows that Nelson Steamship Company is a corporation organized under and by virtue of the laws of the State of California. It is engaged in the business of operating vessels as a common carrier of property, for compensation, between Seattle, Tacoma and other points in the State of Washington, Eureka, San Francisco, Wilmington and other points in the State of California, Charleston in the State of South Carolina, Norfolk in the State of Virginia, Baltimore in the State of Maryland, and other points.

The corporation's authorized capital stock, as shown by its Amended Articles of Incorporation, consists of 25,000 shares, of the par value of \$10.00 each, being an aggregate par value of \$250,000.00, all of said shares being of one class without prefer-

ence. The total amount of stock now issued and outstanding is 1,000 shares of the total par value of \$10,000.00.

In making this application to issue additional shares of stock, aggregating \$100,000.00, the company submits its balance sheet as of September 30, 1931, showing assets and liabilities as follows:

<u>A S S E T S :</u>	
Property and equipment	\$96,984.34
Cash	5,935.68
Accounts receivable	581,193.58
Materials and supplies	594.88
Other debit accounts	3,509.52
TOTAL ASSETS.....	<u>\$688,218.00</u>

<u>L I A B I L I T I E S :</u>	
Capital stock	\$ 10,000.00
Accounts payable	488,587.92
Accrued liabilities	4,047.34
Reserve for accrued depreciation	37,102.40
Other credit accounts	9,871.80
Surplus	138,608.54
TOTAL LIABILITIES.....	<u>\$688,218.00</u>

Applicant reports that it is the lessee of wharves and/or docks at Seattle, Tacoma, San Francisco, Wilmington and other points, but that it owns a wharf at Eureka and dock equipment, furniture and fixtures at all points served. The total original cost of all the property owned by it is said to be \$96,984.34, as set forth in the preceding balance sheet, and the depreciated cost \$59,881.94. The accounts payable in the amount of \$488,587.92 are reported to represent current items for supplies furnished to vessels, for balances due vessel owners for completed voyages and for accrued payrolls. The company alleges that it utilizes in connection with its operations a working capital of at least \$50,000.00, which has not been capitalized.

The company therefore proposes to issue \$50,000.00 of the stock, for which application is here made, to provide working capital

and to issue the remaining \$50,000.00 to reimburse its treasury for moneys actually expended from income for the construction and acquisition of its facilities and properties.

O R D E R

Nelson Steamship Company having applied to the Railroad Commission for authority to issue \$100,000.00 of stock, and the Railroad Commission being of the opinion that this is not a matter in which a public hearing is necessary, that the money, property or labor to be procured or paid for through such issue is reasonably required for the purposes specified herein, which purposes are not, in whole or in part, reasonably chargeable to operating expenses or to income, and that this application should be granted, therefore,

IT IS HEREBY ORDERED, that Nelson Steamship Company be, and it hereby is, authorized to issue, at par, on or before February 29, 1932, 10,000 shares of its common capital stock of the aggregate par value of \$100,000.00, for the purpose of reimbursing its treasury on account of income expended for the acquisition of properties, to the extent of \$50,000.00 and of providing working capital in the amount of \$50,000.00.

The authority herein granted is subject to the following conditions:

1. Applicant shall keep such record of the issue of the stock herein authorized and of the disposition of the proceeds as will enable it to file, within thirty(30) days hereafter, 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.

2. The authority herein granted will become effective fifteen (15) days after the date hereof.

DATED at San Francisco, California, this 9th day of November, 1931.

CC Seaver
Leon Whitely
M. A. Lane
M. B. Harris
Frederic G. Stewart
Commissioners.