

Decision No. 23858

BEFORE THE RAILROAD COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of  
HOLMES WAREHOUSE CO.,  
a corporation, to sell, and G. C.  
Holmes, an individual, to purchase,  
three registered public grain ware-  
houses and equipment situated, re-  
spectively at Oxalis and Firebaugh,  
Fresno County, California, and at  
South Dos Palos, Merced County,  
California.

**ORIGINAL**

Application No. 21204.

Herman Weinberger, for applicants.

BY THE COMMISSION:

OPINION AND ORDER

This is an application for an order authorizing Holmes Ware-  
house Co., a corporation, to sell to G. C. Holmes all of its assets,  
including its business, goodwill and cash on hand, subject to out-  
standing liabilities.

Holmes Warehouse Co. is a corporation engaged in the opera-  
tion of public utility warehouses in Oxalis, Firebaugh and South Dos  
Palos. As of December 31, 1936 it reports its assets and liabilities  
as follows:-

<u>A S S E T S</u>	
Fixed assets . . . . .	\$23,297.44
Current assets:	
Cash . . . . .	\$662.25
Accounts receivable-Net . . . . .	3,827.10
Storage charges . . . . .	4,409.73
Merchandise for re-sale . . . . .	3,706.97
Supplies and prepayments . . . . .	871.04
Total assets.....	<u>13,477.09</u>
	<u>\$36,774.53</u>

<u>L I A B I L I T I E S</u>	
Capital stock-Common . . . . .	\$ 8,000.00
Real estate-mortgages . . . . .	5,600.00
Contracts payable . . . . .	1,813.12
Advances by officers and employees . . . . .	7,780.47
Reserve for theft loss . . . . .	210.00
Current liabilities:	
Notes payable . . . . .	\$ 800.00
Accounts payable . . . . .	8,194.85
Accruals . . . . .	334.87
Other . . . . .	3,055.15
Reserve for depreciation . . . . .	12,384.87
Deficit . . . . .	1,770.66
Total liabilities.....	<u>784.59</u>
	<u>\$36,774.53</u>

The company's outstanding stock, consisting of 80 shares with no par value, was issued pursuant to authority granted by Decision No. 28444, dated December 16, 1935, to G. C. Holmes at \$100.00 a share in payment for the warehouse properties the company now owns and for additions and betterments thereto. The application shows that Mr. Holmes at present is the sole holder of the corporation's outstanding stock.

It appears that Mr. Holmes has concluded that the business now conducted by the corporation can be carried on more economically by an individual because of a saving in the payment of various taxes and therefore has made arrangements for the transfer to him of all the assets of the corporation, as shown by its records as of December 31, 1936. In consideration he has agreed to surrender to the corporation 75 shares of its capital stock and to assume and pay, as and when due, all of the corporation's existing indebtedness.

The Commission has considered the request for an order authorizing the transfer of the properties and is of the opinion that a public hearing is not necessary in this matter and that the application should be granted, as herein provided, therefore,

IT IS HEREBY ORDERED that Holmes Warehouse Co., a corporation, be, and it hereby is, authorized to sell to G. C. Holmes on or before August 31, 1937 all of its assets, including the business, good will and cash on hand, as shown by its books and records as of December 31, 1936, subject to existing liabilities as of that date, and G. C. Holmes be, and he hereby is, authorized to purchase the same and shall assume and pay all of the indebtedness of Holmes Warehouse Co., provided-

1. That Holmes Warehouse Co. and G. C. Holmes shall join in common supplement to the tariffs on file with the Commission by Holmes Warehouse Co., said Holmes Ware-

- house Co. on the one hand withdrawing and G. C. Holmes on the other hand adopting and establishing as his own such tariffs and all effective supplements thereto; and
2. That within thirty(30) days after the transfer of the properties, G. C. Holmes shall file with the Commission a copy of the deed or other instrument of conveyance; and
3. That the authority herein granted shall become effective upon the date hereof.

DATED at San Francisco, California, this 14<sup>th</sup> day of July, 1937.

Matthew W. ...  
Leon ...  
Frank ...  
Rafael ...  
Ray & Riley  
Commissioners.