

15 KING STREET WEST  
TORONTO

July 15th, 1916.

*Ans Aug 5<sup>th</sup>*

Jas. Goldie Esq,  
Rainbow Ranch,  
Okanagan Centre, B.C.

Dear Mr. Goldie:

RE RAINBOW RANCH.

With regard to the annual statements as forwarded by you, they are quite comprehensive, and it seems to me very well planned. I find it a little difficult to make comparison between them and the statements of the previous year, and hope we have now got to a settled form of turning this information out so that we can keep track of our progress.

To me it appears from the statements that the liabilities have increased by \$2,677.97, while the statement of capital expenditure shows an addition of \$685.43. I take it therefore that the difference is loss in operation. This may not be correct, as I note in the statement of receipts and expenditure that the actual excess of expenditure over receipts was \$732.34, of which \$1,362.30 was interest on shareholders' advances, which is merely entered in the books without being paid. I gather that you therefore took in during the year more money than you actually paid out.

The fruit crop statement is clear and concise, and you seem to have made a considerable reduction in the cost of packing.

I had hoped to get out there before this and go into these statements with you personally, but cannot see the way clear to come now. For one thing there is the expense, and in addition it would be impossible to get away at present.

I note what you suggest in regard to transferring \$829.64 from general development to profit and loss, but I do not think we should change the system that we all three agreed upon, until we can get together with Dormer again. Your suggestion that Dormer and I put up more money is noted, and I would like to get his ideas on this. Personally I can put up nothing at the present time, and hope you will be able to work out the situation without doing a permanent injury to the property.

Please let me know whether you would like typewritten copies of the annual statement you have forwarded to me.

As soon as I can get out to see you, will do so, but in the meantime will be anxious to hear how you are getting along.

Yours very truly,

*J. S. Wallis*

JEM/T

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