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ANNUAL REPORT 1974 CLASS 1 R.R. 1 of 4

KANSAS CITY SOUTHERN RY. CO

134500
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R-1
CLASS I RAILROADS

annual report

INTERSTATE

MAR 28 1975

ADMINISTRATIVE SERVICES
MAIL BRANCH

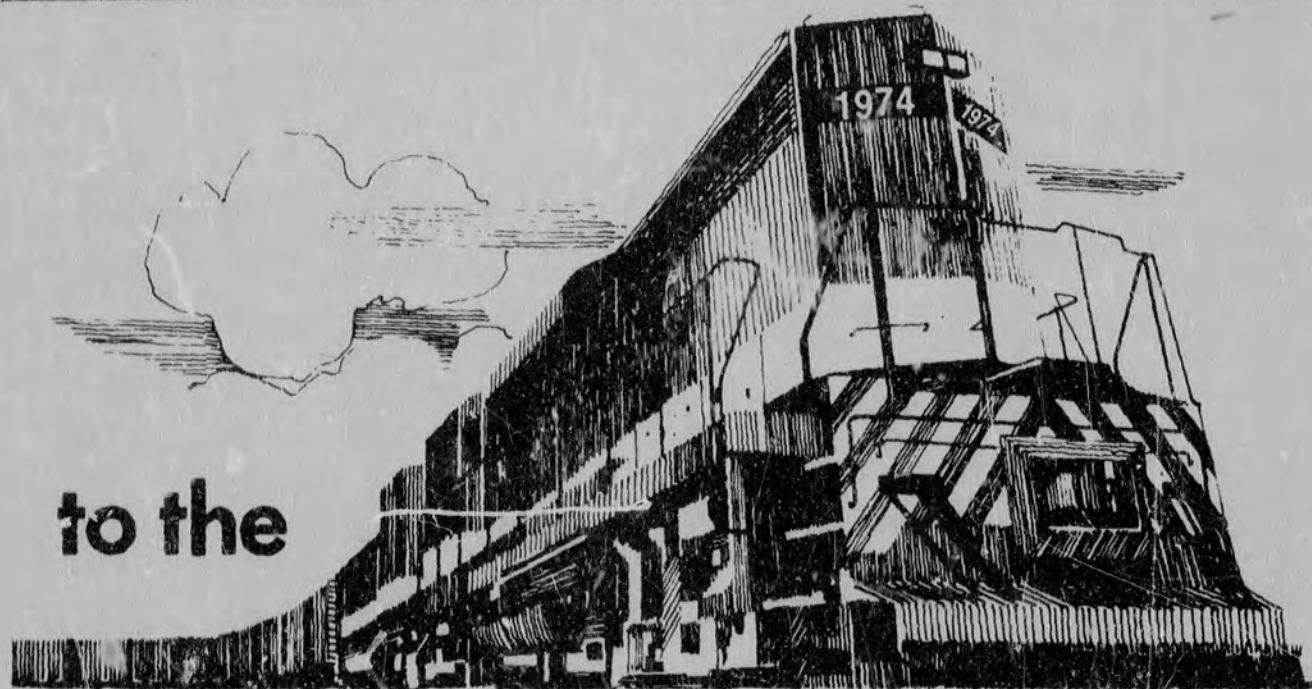
125000352 KANSAS CITY 1
KANSAS CITY SOUTHERN RY. CO.
AND CONTROLLED COMPANIES
114 WEST 11TH ST.
KANSAS CITY, MO 64105

134500

CL I LH

Correct name and address if different than shown.

Full name and address of reporting carrier.
(Use mailing label on original, copy in full on duplicate.)



to the

Interstate Commerce Commission

1974
FOR THE YEAR ENDED DECEMBER 31, 1974

NOTICE

This Form for annual report should be filled out in triplicate and two copies returned to the Interstate Commerce Commission, Bureau of Accounts, Washington, D.C. 20423, by March 31, of the year following that for which the report is made. One copy should be retained in respondent's files. Attention is specially directed to the following provisions of Part I of the Interstate Commerce Act:

SEC. 20. (1) The Commission is hereby authorized to require annual, periodical, or special reports from carriers, lessors, * * * (as defined in this section), to prescribe the manner and form in which such reports shall be made, and to require from such carriers, lessors, * * * specific and full, true, and correct answers to all questions upon which the Commission may deem information to be necessary, classifying such carriers, lessors, * * * as it may deem proper for any of these purposes. Such annual reports shall give an account of the affairs of the carrier, lessor, * * * in such form and detail as may be prescribed by the Commission.

(2) Said annual reports shall contain all the required information for the period of twelve months ending on the 31st day of December in each year, unless the Commission shall specify a different date, and shall be made out under oath and filed with the Commission at its office in Washington within three months after the close of the year for which report is made, unless additional time be granted in any case by the Commission.

(3) (b) Any person who shall knowingly and willfully make, cause to be made, or participate in the making of, any false entry in any annual or other report required under this section to be filed, * * * or shall knowingly or willfully file with the Commission any false report or other document, shall be deemed guilty of a misdemeanor and shall be subject, upon conviction in any court of the United States of competent jurisdiction, to a fine of not more than five thousand dollars or imprisonment for not more than two years, or both such fine and imprisonment: * * *

(7) (c) Any carrier or lessor, * * * or any officer, agent, employee or representative thereof, who shall fail to make and file an annual or other report with the Commission within the time fixed by the Commission, or to make specific and full, true, and correct answer to any question within thirty days from the time it is lawfully required by the Commission so to do, shall forfeit to the United States the sum of one hundred dollars for each and every day it shall continue to be in default with respect thereto.

(8) As used in this section * * * the term "carrier" means a common carrier subject to this part, and includes a receiver or trustee of such carrier; and the term "lessor" means a person owning a railroad, a water line, or a pipe line, leased to and operated by a common carrier subject to this part, and includes a receiver or trustee of such lessor, * * *

The respondent is further required to send to the Bureau of Accounts immediately upon preparation, two copies of its latest annual report to stockholders. See schedule 108, page 6.

2. The instructions in this Form should be carefully observed, and each question should be answered fully and accurately, whether it has been answered in a previous annual report or not. Except in cases where they are specifically authorized, cancellations, arbitrary check marks, and the like should not be used either as partial or as entire answers to inquiries. If any inquiry, based on a preceding inquiry in the present report form is, because of the answer rendered to such preceding inquiry, inapplicable to the person or corporation in whose behalf the report is made, such notation as "Not applicable; see page _____, schedule (or line) number _____" should be used in answer thereto, giving precise reference to the portion of the report showing the facts which make the inquiry inapplicable. Where the word "none" truly and completely states the fact, it should be given as the answer to any particular inquiry or any particular portion of an inquiry. Where dates are called for, the month and day should be stated as well as the year. Customary abbreviations may be used in stating dates.

3. Every annual report should, in all particulars, be complete in itself, and references to the returns of former years should not be made; to take the place of required entries except as herein otherwise specifically directed or authorized.

4. If it be necessary or desirable to insert additional statements, typewritten or other, in a report, they should be legibly made on durable paper and, wherever practicable, on sheets not larger than a page of the Form. Inserted sheets should be securely attached, preferably at the inner margin; attachment by pins or clips is insufficient.

5. All entries should be made in a permanent black ink. Those of a contrary character should be indicated in parenthesis.

6. Money items, except averages, throughout the annual report form should be shown in thousands of dollars adjusted to accord with footings. Totals for amounts reported in subsidiary accounts included in supporting schedules must be in agreement with related primary accounts. For purposes of rounding, amounts of \$500 but less than \$1,000 should be raised to the nearest thousand dollars, and amounts of less than \$500 should be lowered.

7. Railroad corporations, mainly distinguished as operating companies and lessor companies, are for the purpose of report to the Interstate Commerce Commission divided into classes. An operating company is one whose officers direct the business of transportation and whose books contain operating as well as financial accounts;

and, a lessor company, the property of which being leased to and operated by another company, is one that maintains a separate legal existence and keeps financial but not operating accounts. In making reports, lessor companies use Annual Report Form R-4.

Operating companies (including switching and terminal) are broadly classified, with respect to their operating revenues, according to the following general definitions:

Class I companies are those having annual operating revenues of \$5,000,000, or more. For this class, Annual Report Form R-1 is provided.

Class II companies are those having annual operating revenues below \$5,000,000. For this class, Annual Report Form R-2 is provided.

In applying this classification to any switching or terminal company which is operated as a joint facility of owning or tenant railroads, the sum of the annual railway operating revenues, the joint facility rent income, and the returns to joint facility credit accounts in operating expenses, shall be used in determining its class.

Switching and terminal companies are further classified as:

Class S1, Exclusively switching. This class of companies includes all those performing switching service only, whether for joint account or for revenue.

Class S2, Exclusively terminal. This class of companies includes all companies furnishing terminal trackage or terminal facilities only, such as union passenger or freight stations, stockyards, etc., for which a charge is made, whether operated for joint account or for revenue. In case a bridge or ferry is a part of the facilities operated by a terminal company, it should be included under this heading.

Class S3, Both switching and terminal. Companies which perform both a switching and a terminal service. This class of companies includes all companies whose operations cover both switching and terminal service, as defined above.

Class S4, Bridge and ferry. This class of companies is confined to those whose operations are limited to bridges and ferries exclusively.

Class S5, Mixed. Companies performing primarily a switching or a terminal service, but which also conduct a regular freight or passenger traffic. The revenues of this class of companies include, in addition to switching or terminal revenues, those derived from local passenger service, local freight service, participation in through movement of freight or passenger traffic, other transportation operations, and operations other than transportation.

8. Except where the context clearly indicates some other meaning, the following terms when used in this Form have the meanings below stated:

Commission means the Interstate Commerce Commission. Respondent means the person or corporation in whose behalf the report is made. The year means the year ended December 31 for which the report is made. The close of the year means the close of business on December 31 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the close of the period covered by the report. The beginning of the year means the beginning of business on January 1 of the year for which the report is made; or, in case the report is made for a shorter period than one year, it means the beginning of the period covered by the report. The preceding year means the year ended December 31 of the year next preceding the year for which the report is made. The Uniform System of Accounts for Railroad Companies means the system of accounts in Part 1201 of Title 49, Code of Federal Regulations, as amended.

9. All companies using this Form should complete all schedules, with the following exceptions, which should severally be completed by the companies to which they are applicable:

Schedules restricted to Switching and Terminal Companies		Schedules restricted to other than Switching and Terminal Companies	
Schedule	414	Schedule	411
"	415	"	412
"	532		

ANNUAL REPORT

OF

THE KANSAS CITY SOUTHERN RAILWAY AND CONTROLLED COMPANIES

THE KANSAS CITY SOUTHERN RAILWAY COMPANY
THE MAYWOOD AND SUGAR CREEK RAILWAY COMPANY
LOUISIANA & ARKANSAS RAILWAY COMPANY
THE ARKANSAS WESTERN RAILWAY COMPANY
FORT SMITH AND VAN BUREN RAILWAY COMPANY

TO THE

INTERSTATE COMMERCE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1974

Name, official title, telephone number, and office address of officer in charge of correspondence with the Commission regarding this report:

(Name) T. A. Giltner (Title) Vice President and Comptroller

(Telephone number) 816 842 - 0077
(Area code) (Telephone number)

(Office address) 114 West 11th Street, Kansas City, Missouri 64105
(Street and number, city, State, and ZIP code)

SPECIAL NOTICE

The attention of the respondent is directed below to certain particulars, if any, in which this report form differs from the corresponding form for the preceding year. It should be understood that mention is not made of necessary substitutions of dates or, in general, such other things as simple modifications intended to make requirements clearer, other minor adjustments, and typographical corrections.

The following changes in format have been made to facilitate better reporting and analysis:

A Table of Contents has been added.

Provision has been made for respondents to optionally omit pages from this report provided there is nothing to report or the schedules are not applicable.

Vertical lines within columns have been eliminated.

Blank pages have been inserted to accommodate additional data.

Financial statements, Schedule 300, 305, 308, and 309 have been repositioned to follow the balance sheet, Schedule 200.

The following schedules are renumbered:

Schedule 110 is now 234.

Schedule 234 is now 235.

Schedule 414 is now 413.

Schedule 591 is now 414.

The following schedules have been eliminated:

Schedule 351. Reconciliation of Reported Net Income with Taxable Income for Federal Income Taxes

Schedule 352. Computation of Federal Income Taxes

Schedule 353. Consolidated Federal Income Tax Information

Pages 10 and 11: Schedule 200. Comparative General Balance Sheet

Accounts numbers 714, 744, 762 and 786 have been added to conform with the provisions of Docket No. 34178 (Sub-No. 2) Accounting for Income Taxes - Interperiod Tax Allocation (Deferred Taxes). Provision has also been made to report undistributed earnings from certain investments in account 721 in accordance with Docket No. 35949 - The Equity Method of Accounting for Certain Long-Term Investments in Common Stocks.

Pages 16, 17 and 18: Schedule 300. Income Account for the Year

In accordance with Docket No. 34178 (Sub-No. 2), accounts numbers 533 and 591 have been added. Also, in conformity with Docket No. 35949, provision has been made to report equity in earnings (losses) of affiliated companies; account 590 has been amended to read, "Income taxes on extraordinary and prior period items" and a footnote added to show the effect of deferred taxes on prior years net income as reported in annual reports to the Commission.

Page 20: Schedule 305. Retained Income - Unappropriated

This schedule has been revised in accordance with Docket No. 35949.
Pages 35A and 35B: Schedule 207. Investments in Common Stocks of Affiliated Companies.

This schedule has been added to conform with the provisions of Docket No. 35949.

Pages 38-39: Schedule 211. Road and Equipment Property

Minimum dollar limit for additions and betterments is increased from \$500 to \$1500.

Page 87: Schedule 350. Rail Tax Accruals, C. Analysis of Federal Income Taxes

Schedule has been revised to incorporate interperiod tax allocation in accordance with the provisions of Docket No. 34178 (Sub-No. 2).

Page 90: Schedule 376. Hire of Freight Cars

Schedule revised to eliminate reporting of Canadian data for gross amounts receivable of per diem portion of unequipped box cars.

Page 103: Schedule 417. Inventory of Equipment

Instructions have been revised to clarify reporting of radio-controlled units.

Page 120: Schedule 531. Statistics of Rail-Line Operations

Schedule has been revised to report car-miles in thousands and the instructions revised accordingly.

Page 123: Schedule 563. Payments for Services Rendered by Other than Employees and Affiliates

Instructions have been revised to require the reporting of all audit fees, regardless of dollar limitations for each individual railroad.

Page 128: Schedule 571. Consumption of Fuel by Motive-Power Units

Schedule has been revised to clarify the separation of work train data from the total cost of fuel.

Page 128: Schedule 561C. Compensation Applicable to Prior Years

This schedule was transferred from page 118.

Page 133: Schedule 600. Remunerations from National Railroad Passenger Corporation

Schedule has been revised to eliminate the separation of rent income and rents payable.

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100. SCHEDULES OMITTED BY RESPONDENT

1. The respondent, at its option, may omit pages from this report and title in the space provided below.
provided there is nothing to report or the schedules are not applicable.
2. Show below the pages excluded and indicate the schedule number
3. If no schedules were omitted indicate "NONE".

Page	Schedule No.	Title
		N O N E

101. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 or 5 on this page have taken place during the year covered by this report, they should be explained in detail on page 101.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between *railroad* and *railway*. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification" (p. 134). If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or

other possession began. If a partnership, give date of formation and also names in full of present partners.

3. Give specific reference to laws of each State or Territory under which organized, citing chapter and section. Include all grants of corporate powers by the United States, or by Canada or other foreign country; also, all amendments to charter.

4. Give specific reference to special or general laws under which each consolidation or merger or combination of other form was effected, citing chapter and section. Specify Government, State, or Territory under the laws of which each company consolidated or merged or otherwise combined into the present company was organized; give reference to the charters of each and to all amendments of them.

5. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report The Kansas City Southern Railway Company

2. Date of incorporation March 19, 1900

3. Under laws of what Government, State, or Territory organized? If more than one, name all. Give specific reference to each charter or statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees

State of Missouri

Article II Chapter XII Revised Statutes of Missouri 1899.

4. If the respondent was formed as the result of a consolidation or merger during the year, name all constituent and all merged companies

No Change During 1974

5. If respondent was reorganized during the year, give name of original corporation and state the occasion for the reorganization

No Change During 1974

6. State whether or not the respondent during the year conducted any part of its business under a name or names other than that shown in response to inquiry No. 1, above; if so, give full particulars

Not Applicable

7. Class of switching and terminal company

[See section No. 7 on inside of front cover]

102. DIRECTORS

1. Give particulars of the various directors and officers of the respondent at the close of the year.

2. State in column (e) of schedule No. 102 and column (d) of schedule No. 103, the number of voting shares of the respondent, other than directors' qualifying shares, that were beneficially owned, directly or indirectly, by each director or principal general officer at the close of the year. This includes shares owned of record, shares owned through holding companies, trusts or other mediums, and shares owned but held in the names of brokers or other nominees. Insert the word "None" where applicable.

3. In schedule No. 103 give the title, name, and address of the principal general officers having system jurisdiction by departments, as follows: Executive, Legal, Fiscal and Accounting, Purchasing, Operating, and Traffic. If there are receivers, trustees, or committees, who are recognized as in the controlling management of the road or of some department of it, give also their names and titles, and the location of their offices, separately grouped and identified.

4. If the duties of an officer extend to more than one department, or if his duties are not in accordance with the customary acceptance of his given title, state briefly the facts in a footnote.

Line No.	Name of director (a)	Office address (b)	Date of beginning of term (c)	Date of expiration of term (d)	Number of voting shares actually or beneficially owned (e)	Remarks (f)
1	W. N. Deramus III	Kansas City, Mo.	5-07-74	5-10-77	None	
2	T. S. Carter	Kansas City, Mo.	5-08-73	5-12-75	"	
3	I. O. Hockaday, Jr.	Kansas City, Mo.	5-07-74	5-10-77	"	
4	Edward M. Douthat	Kansas City, Mo.	5-07-74	5-10-77	"	
5	George E. Kellogg	Kansas City, Mo.	5-08-73	5-12-75	"	
6	H. L. Oppenheimer	Kansas City, Mo.	5-08-73	5-12-75	"	
7	Edward T. McNally	Pittsburg, Ks.	5-07-74	5-10-77	"	
8	John Hawkinson	Chicago, Ill.	5-08-73	5-12-75	"	
9	Raymond Gary	Madill, Okla.	5-08-73	5-11-76	"	
10	W. H. Saunders, Jr.	New Orleans, La.	5-08-73	5-11-76	"	
11	Kirke Couch	Shreveport, La.	5-08-73	5-12-75	"	
12	J. Pat Beaird	Shreveport, La.	5-08-73	5-11-76	400	
13	Edwin Moore	Shreveport, La.	5-08-73	5-11-76	None	
14	J. R. Querbes, Jr.	Shreveport, La.	5-08-73	5-11-76	"	
15	N. H. Wheless, Jr.	Shreveport, La.	5-07-74	5-11-77	"	
16						
17						
18						
19						
20						

21. Give the names and titles of all officers of the Board of Directors in control of the respondent at the close of the year:

Chairman of board W. N. Deramus III

Secretary (or clerk) of board George E. Kellogg

22. Name the members of the executive committee of the Board of Directors of the respondent at the close of the year (naming first the chairman) and state briefly the powers and duties of that committee: W. N. Deramus III (Chairman), J. Pat Beaird, Edward M. Douthat, John Hawkinson, Edward T. McNally, Paul H. Henson, Irvine O. Hockaday, Jr.

exercise same powers as Board of Directors when latter is not in session.

103. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE

Line No.	Title of general officer (a)	Department or departments over which jurisdiction is exercised (b)	Name of person holding office at close of year (c)	Number of voting shares actually or beneficially owned (d)	Office address (e)
1	Chairman	Executive	W. N. Deramus III	None	Kansas City, Mo.
2	President	Executive	T. S. Carter	"	"
3	Vice President	Executive	M. F. McClain	"	"
4	Vice President				
5	and Secretary	Executive	G. E. Kellogg	"	"
6	Vice President and				
7	General Manager	Operating	R. J. Blair	"	"
8	Vice President	Personnel	D. E. Farrar	"	"
9	Vice President	Traffic	L. J. Tamisiea	"	"
10	Vice President				
11	and Comptroller	Accounting	T. A. Giltner	"	"
12	General Counsel	Legal	R. E. Zimmerman	"	"
13	Treasurer	Treasury	V. C. Pragman	"	"
14	Asst. General				
15	Manager	Purchases	T. T. Souter	"	"
16					
17					
18					
19					
20					

104. RELATIONSHIP OF RESPONDENT WITH AFFILIATED COMPANIES

Enter below in the appropriate schedule, No. 104A through 104D, the names of all companies, corporate and noncorporate, which are affiliated with the respondent and submit the information requested in each schedule. Control for the purpose of these schedules shall be construed to include sole or jointly held control, whether maintained or exercised through or by reason of the method of or circumstances surrounding organization or operation, through or by common directors, officers, or stockholders a voting trust or trusts, a holding or investment company or compa-

nies, or through or by any other direct or indirect means; and to include the power to exercise control. For the purposes of these schedules, forms of control shall include the following (among others):

1. Right through ownership of securities, an agreement of some character or through some other source to name the majority of the board of directors, managers, or trustees of the controlled company.
2. Right to foreclose a first lien upon all or a major part in

value of the tangible property of the controlled company.

3. Right to secure control in consequence of advances made for construction of the operating property of the controlled company.

Right to co. only in a specific respect the action of the controlled company or a lessee interest in the property of a company is not to be classed as a form of control over the lessor company.

104 A. COMPANIES CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled solely or jointly by the respondent. If the respondent obtained control over a company during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase,

etc.

2. In column (b) indicate the principal business activity of each company listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).

4. In column (d) indicate the extent of the control of the respondent in the controlled company. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter names of other companies, if any, that jointly control the companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	If Jointly Controlled Name Other Parties to the Agreement (e)
1	The Kansas and Missouri Railway				
2	and Terminal Company	Transportation	Stock Ownership	100%	None
3	Kansas City Southern Transport Co.	Transportation	Stock Ownership	100%	None
4	Landa Motor Lines	Transportation	Stock Ownership	100%	None
5	The Maywood and Sugar Creek Ry. Co.	Transportation	Stock Ownership	100%	None
6	Louisiana & Arkansas Railway Co.	Transportation	Stock Ownership	100%	None
7	Louisiana, Arkansas & Texas				
8	Transportation Company	Transportation	Stock Ownership	100%	None
9	Joplin Union Depot Company	Transportation	Stock Ownership)		ATSF - 33 1/3)
10			and Management)	33 1/3%	MKT RR - 33 1/3)
11	Southern Development Company	Real Estate	Stock Ownership	100%	None
12	Tolmak, Inc.	Real Estate	Stock Ownership	100%	None
13					
14					
15					
16					
17					
18					
19					

104 B. COMPANIES INDIRECTLY CONTROLLED BY RESPONDENT

1. Enter in column (a) the names of all companies which are controlled through intermediary companies. If control was obtained during the year, indicate by footnote the date and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.

2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.
3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over

companies listed in column (a). If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of intermediate companies through which control is exercised over companies listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Intermediary Through Which Control Exists (e)
1	Joplin Southern Corporation	Land Development Company	Indirect	51%	Southern Development Co.
2					
3					
4					
5					
6					
7					
8					
9					
10					

104 C. COMPANIES UNDER COMMON CONTROL WITH RESPONDENT

1. Enter in column (a) the names of all companies which are controlled by the same interest that control the respondent.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.

3. In column (c) indicate the form of control exercised over companies listed in column (a).
4. In column (d) indicate the extent of the control over companies listed in column (a). If control cannot be

expressed by percentage of voting stock ownership, explain in detail by footnote.
5. In column (e) enter the names of companies controlling those listed in column (a).

Line No.	Name of Company Controlled (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)	Name of Controlling Company or Individual (e)
1	The American Coleman Company	Manufacturing	Stock Ownership	100%	K.C. Southern Industries
2	American Coleman International Corp.	Export	Stock Ownership	100%	The American Coleman Co.
3	Data-Sys-Tance, Inc.	Stock Transfer	Stock Ownership	81%	K.C. Southern Industries
4	Alfred Lindgren, Inc.	Construction	Stock Ownership	100%	K.C. Southern Industries
5	Mid-America Television Company	Television Station	Stock Ownership	100%	K.C. Southern Industries
6	Oliver Advertising	Advertising	Stock Ownership	80%	K.C. Southern Industries
7	Pabtex, Inc.	Real Estate	Stock Ownership	100%	K.C. Southern Industries
8	Rice-Carden Corporation	Real Estate	Stock Ownership	100%	K.C. Southern Industries
9	Trapp's, Inc.	Florist	Stock Ownership	80%	K.C. Southern Industries
10	Veals, Inc.	Microwave Rental & Maintenance	Stock Ownership	100%	K.C. Southern Industries
11	Grasis Fabricating Co.	Manufacturing	Stock Ownership	80%	Rice-Carden Corporation

104 D. COMPANIES CONTROLLING RESPONDENT

1. Enter in column (a) the names of all companies controlling the respondent. Commence with the company which is most remote followed by the company immediately controlled by it. If control over the respondent or control over an intermediary through which respondent is controlled has changed during the year, indicate by footnote the date

and manner in which control was established such as exchange of stock, exchange of assets for stock, cash purchase, etc.
2. In column (b) indicate the principal business activity of the companies listed in column (a) such as transportation, manufacturing, investments, etc.

3. In column (c) indicate the form of control exercised by the company immediately controlled by it.
4. In column (d) indicate the extent of control. If control cannot be expressed by percentage of voting stock ownership, explain in detail by footnote.

Line No.	Name of Controlling Company or Individual (a)	Principal Business Activity (b)	Form of Control (c)	Extent of Control (d)
1	Kansas City Southern Industries, Inc.	Holding Company	Stock Ownership	94%
2				
3				
4				
5				
6				
7				
8				
9	Schedule 104 C. Continued from Page 5			
10	(a)	(b)	(c)	(d)
11				
12	Grasis International Corp.	Export	Stock Ownership	100%
13	Carland, Inc.	Equipment Leasing	Stock Ownership	75%
14	Lindgren - White Construction Company	Construction	Stock Ownership	100%
15	Data-Sys-Tance Securities, Inc.	Investments	Stock Ownership	100%
16	Systec Data Management, Inc.	Computer Programming	Stock Ownership	100%
17	DST-Computer-Services, S.A.	Computer Service	Stock Ownership	57%
18	Investors Fiduciary Trust Company	Limited Trust Company	Stock Ownership	99%
19				
20				

108 STOCKHOLDERS REPORTS

1. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☐ Two copies are attached to this report.

☒ Two copies will be submitted _____ (date)

☐ No annual report to stockholders is prepared.

NOTES AND REMARKS

109. VOTING POWERS AND ELECTIONS

No

1. State the par value of each share of stock: Common, \$ Par per share; first preferred, \$ 50 per share; second preferred, \$ None per share; debenture stock, \$ None per share.

Yes

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote.

3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing
March 29, 1974 for purpose of holding annual stockholders meeting.

7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 1,439,198 votes, as of December 31, 1974 (Date) 264 stockholders.

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7, 264 stockholders.

9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any) If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 13, the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.

List under Footnotes, page 9, Other Securities with Voting Power.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common	PREFERRED	
	(a)	(b)	(c)	(d)	Second (e)	First (f)
1	KC Southern Industries, Inc.	114 W 11th, K.C. Mo.	1,310,448	982,952		327,496
2	Equitable Life Ins. Soc.	1285 Ave of Amer. NY.	62,500			62,500
3	Louisiana & Arkansas Ry.	114 W 11th, K.C. Mo.	38,013	31,628		6,385
4	Dime Savings Bank of New York	Bx 1009GPO, Brklyn NY.	4,000			4,000
5	Savings Banks Trust Co.	200 Park Ave., NY.	4,000			4,000
6	First Penn Banking & Trust Co	Bx 8786, Phila., Pa.	1,880			1,880
7	KC Southern Ry. Co.	114 W 11th, K.C. Mo.	956	916		40
8	Ctl. Ill. Ntl. Bk & Trust-Chgo	TL Bx H, Chicago, Ill.	600			600
9	J. C. Thompson	1320 W Short, Indep Mo.	577			577
10	Peavy Wilson Land	Bx 1103, S'port, La.	500			500
11	H. B. Idleman	30 Rolng Hill, Chatman NJ	467			467
12	Honigman Bros.	111 Broadway, NY.	400	400		
13	J. Pat Beaird	Com Natl Bk, S'port La.	400	400		
14	I. G. Derrick	100 Frt Bvd, S'Fco, Ca.	400			400
15	E. M. Stroud & Co.	17 & Sansom, Phila Pa.	405	25		380
16	Greater KC Pension Fund	8301 State Line KC, Mo.	340			340
17	R. Mitchell	5900 Mison, Mission Ks.	330			330
18	P. Dunn	15 Cliff, Swanscott Mass.	300			300
19	Merrill & Co.	225 Franklin, Boston	300			300
20	N. E. Laffey	25 Montvw, Short Hill NJ.	300			300
21	R. C. Sisson	160 Cury, Sausalito Ca.	300			300
22	J. F. Day	Rabthill, N Preston Ct.	250			250
23	Wallace & Co.	Bx 1119 Shreveport La.	250			250
24	E. F. Frith	RR 1, Bx 449 Liberty Mo.	240			240
25	G. E. Rothenhoefer	8713 76th Woodhaven NY.	230			230
26	Dean Witter & Co.	2 Broadway, NY.	215			215
27	W. H. Biggs	319 N 4th, St Louis Mo.	200			200
28	John Dunn	Bx 190, Lansing, Ks.	200			200
29	R. I. Myers, Jr.	9701 W 105 Tr, Ovln, Ks.	200			200
30	W. B. Purcell	Dr 157 Boulder City NV.	200			200

Note: Schedule 109, Voting Powers and Elections, continued on page 9.

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109. VOTING POWERS AND ELECTIONS—(Continued From Page 8)

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 1,389,000
votes cast.

11. Give the date of such meeting. May 14, 1974

12. Give the place of such meeting. Kansas City, Missouri

NOTES AND REMARKS

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT ASSETS				
1	(701) Cash		\$(2,038)	\$(300)
2	(702) Temporary cash investments (p. 23)		6,425	6,097
3	(703) Special deposits (p. 23)		19	25
4	(704) Loans and notes receivable (p. 23)			
5	(705) Traffic, car service and other balances—Dr.			
6	(706) Net balance receivable from agents and conductors		2,313	6,216
7	(707) Miscellaneous accounts receivable		1,491	1,469
8	(708) Interest and dividends receivable		48	73
9	(709) Accrued accounts receivable (p. 23)		7,709	5,511
10	(710) Working fund advances		746	746
11	(711) Prepayments (p. 23)		453	517
12	(712) Material and supplies		8,672	8,189
13	(713) Other current assets (p. 23)		70	74
14	(714) Deferred income tax charges (p. 87)			
15	Total current assets		25,908	28,617
SPECIAL FUNDS				
		(a1) Total book assets at close of year	(a2) Respondent's own issues included in (a1)	
16	(715) Sinking funds (pp. 24 and 25)	7	None	7
17	(716) Capital and other reserve funds (pp. 24 and 25)	486	None	267
18	(717) Insurance and other funds (pp. 24 and 25)	100	None	95
19	Total special funds		593	369
INVESTMENTS				
20	(721) Investments in affiliated companies (pp. 28-31)		14,093	14,894
21	Undistributed earnings from certain investments in account 721 (pp. 35A and 35B)		(1,239)	
22	(722) Other investments (pp. 32-35)		7	35
23	(723) Reserve for adjustment of investment in securities—Credit (p. 27, Instruction 9)		(40)	(360)
24	Total investments (accounts 721, 722 and 723)		12,821	14,569
PROPERTIES				
25	(731) Road and equipment property: Road		122,142	121,121
26	Equipment		128,366	123,618
27	General expenditures		3,136	3,138
28	Other elements of investment			
29	Construction work in progress		4,779	3,805
30	Total (pp. 38-41)		258,423	251,682
31	(732) Improvements on leased property: Road			
32	Equipment			
33	General expenditures			
34	Total (pp. 38-41)			
35	Total transportation property (accounts 731 and 732)		258,423	251,682
36	(735) Accrued depreciation—Road and equipment (pp. 44 and 46)		(51,590)	(46,909)
37	(736) Amortization of defense projects—Road and Equipment (p. 47)		(552)	(552)
38	Recorded depreciation and amortization (accounts 735 and 736)		(52,142)	(47,461)
39	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		206,281	204,221
40	(737) Miscellaneous physical property (pp. 52 and 53)		5,508	5,395
41	(738) Accrued depreciation - Miscellaneous physical property (pp. 52 and 53)		(654)	(541)
42	Miscellaneous physical property less recorded depreciation (account 737 less 738)		4,854	4,854
43	Total properties less recorded depreciation and amortization (line 37 plus line 40)		211,135	209,075
OTHER ASSETS AND DEFERRED CHARGES				
44	(741) Other assets (p. 54)		112	171
45	(742) Unamortized discount on long-term debt		136	117
46	(743) Other deferred charges (p. 54)		2,251	2,320
47	(744) Accumulated deferred income tax charges (p. 87)			
48	Total other assets and deferred charges		2,499	2,608
49	TOTAL ASSETS		252,956	255,238

NOTE—See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200 COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parentheses.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at begin- ning of year (c)	
CURRENT LIABILITIES					
50	(751) Loans and notes payable (p. 63)		\$	\$	
51	(752) Traffic, car service and other balances—Cr.		160	737	
52	(753) Audited accounts and wages payable		2,276	2,626	
53	(754) Miscellaneous accounts payable		831	805	
54	(755) Interest matured unpaid		39	45	
55	(756) Dividends matured unpaid		46	47	
56	(757) Unmatured interest accrued		1,404	1,297	
57	(758) Unmatured dividends declared			207	
58	(759) Accrued accounts payable (p. 63)		8,637	8,576	
59	(760) Federal income taxes accrued (p. 64)		(158)	(1,535)	
60	(761) Other taxes accrued (p. 64)		1,638	1,459	
61	(762) Deferred income tax credits (p. 87)				
62	(763) Other current liabilities (p. 63)		4,574	6,952	
63	Total current liabilities (exclusive of long-term debt due within one year)		19,447	21,216	
LONG-TERM DEBT DUE WITHIN ONE YEAR					
64	(764) Equipment obligations and other debt (pp. 56-59)	(a1) Total issued 7,708	(a2) Held by or for respondent None	7,708	7,975
LONG-TERM DEBT DUE AFTER ONE YEAR					
65	(765) Funded debt unmatured	(a1) Total issued 37,183	(a2) Held by or for respondent 1,195	35,988	36,583
66	(766) Equipment obligations	(pp. 56-59)	None	44,586	45,943
67	(767) Receivers' and Trustees' securities				
68	(768) Debt in default				
69	(769) Amounts payable to affiliated companies (p. 62)			156	
70	Total long-term debt due after one year			80,730	82,526
RESERVES					
71	(771) Pension and welfare reserves (p. 65)				
72	(772) Insurance reserves (p. 65)				
73	(774) Casualty and other reserves (p. 65)			2,464	3,518
74	Total reserves			2,464	3,518
OTHER LIABILITIES AND DEFERRED CREDITS					
75	(781) Interest in default (p. 58)				
76	(782) Other liabilities (p. 65)			286	365
77	(783) Unamortized premium on long-term debt			118	137
78	(784) Other deferred credits (p. 65)			1,119	891
79	(785) Accrued depreciation—Leased property (p. 45)				
80	(786) Accumulated deferred income tax credits (p. 87)			26,558	
81	Total other liabilities and deferred credits			28,081	1,393
SHAREHOLDERS' EQUITY					
Capital stock (Par or stated value)					
82	(791) Capital stock issued: Common stock (p. 67)	(a1) Total issued 36,000	(a2) Held by or for company 1,147	34,853	34,853
83	Preferred stock (p. 67)	21,000	319	20,681	20,681
84	Total	57,000	1,466	55,534	55,534
85	(792) Stock liability for conversion (p. 68)				
86	(793) Discount on capital stock				
87	Total capital stock			55,534	55,534
Capital surplus					
88	(794) Premiums and assessments on capital stock (p. 69)				
89	(795) Paid-in surplus (p. 69)			267	267
90	(796) Other capital surplus (p. 69)			4,727	5,046
91	Total capital surplus			4,994	5,313
Retained income					
92	(797) Retained income—Appropriated (p. 69)			600	600
93	(798) Retained income—Unappropriated (p. 20)			53,398	77,163
94	Total retained income			53,998	77,763
95	Total shareholders' equity			114,526	138,610
96	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			252,956	255,238

NOTE: See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES

The notes listed below are provided for the purpose of disclosing supplementary information concerning matters which have an important effect on the financial condition of the carrier. The carrier shall give the particulars called for herein and where there is nothing to report, insert the word "none"; and in addition thereto shall enter in separate notes with suitable particulars other matters involving material amounts of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles, except as shown in other schedules. This

includes explanatory statements explaining (1) service interruption insurance policies and indicate the amount of indemnity to which respondent will be entitled for work stoppage losses and the maximum amount of additional premium respondent may be obligated to pay in the event such losses are sustained by other railroads; (2) particulars concerning obligations for stock purchase options granted to officers and employees; and (3) what entities have been made for net income or retained income restricted under provisions of mortgages and other arrangements. (Dollars in thousands)

1. Show hereunder the estimated accumulated tax reductions realized during current and prior years under Section 168 (formerly Section 124-A) and under Section 167 of the Internal Revenue Code because of accelerated amortization of emergency facilities and accelerated depreciation of other facilities and also depreciation deductions resulting from the use of the new guideline lives, since December 31, 1961, pursuant to Revenue Procedure 62-21 in excess of recorded depreciation. The amount to be shown in each case is the net accumulated reductions in taxes realized less subsequent increases in taxes due to expired or lower allowances for amortization or depreciation as a consequence of accelerated allowances in earlier years. Also, show the estimated accumulated net income tax reduction realized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962. In the event provision has been made in the accounts through appropriations of surplus or otherwise for the contingency of increase in future tax payments, the amounts thereof and the accounting performed should be shown.

(a) Estimated accumulated net reduction in Federal income taxes since December 31, 1949, because of accelerated amortization of emergency facilities in excess of recorded depreciation under Section 168 (formerly Section 124-A) of the Internal Revenue Code \$ 4,599

(b) Estimated accumulated savings in Federal income taxes resulting from computing book depreciation under Commission rules and computing tax depreciation using the items listed below \$ 22,568

—Accelerated depreciation since December 31, 1953, under Section 167 of the Internal Revenue Code.

—Guideline lives since December 31, 1961, pursuant to Revenue Procedure 62-21.

—Guideline lives under Class Life System (Asset Depreciation Range) since December 31, 1970, as provided in the Revenue Act of 1971.

(c)(i) Estimated accumulated net income tax reduction utilized since December 31, 1961, because of the investment tax credit authorized in the Revenue Act of 1962, as amended \$ 10,650

(ii) If carrier elected, as provided in the Revenue Act of 1971, to account for the investment tax credit under the deferral method, indicate the total deferred investment tax credit in account 784, other deferred credits, at beginning of year \$ N/A

Add investment tax credits applied to reduction of current year's tax liability but deferred for accounting purposes \$ N/A

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual \$ (N/A)

Other adjustments (indicate nature such as recapture on early disposition) \$ N/A

Total deferred investment tax credit in account 784 at close of year \$ N/A

(d) Estimated accumulated net reduction in Federal income taxes because of accelerated amortization of certain rolling stock since December 31, 1969, under provisions of Section 184 of the Internal Revenue Code \$ 4,359

(e) Estimated accumulated net reduction in Federal income taxes because of amortization of certain rights-of-way investments since December 31, 1969, under the provisions of Section 185 of the Internal Revenue Code \$ 35

2. Amount of accrued contingent interest on funded debt recorded in the balance sheet:

Description of obligation	Year accrued	Account No.	Amount
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	<u>\$ None</u>

Continued on following page

200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES--Continued

3. As a result of dispute concerning the recent increase in per diem rates for use of freight cars interchanged, settlement of disputed amounts has been deferred awaiting final disposition of the matter. The amounts in dispute for which settlement has been deferred are as follows:

Item	Amount in dispute	As recorded on books		Amount not recorded
		Account Nos.		
		Debit	Credit	
Per diem receivable _____ \$ _____				\$ None
Per diem payable _____				None
Net amount _____ \$ _____		X X X X X X X X	X X X X X X X X	\$ None

4. Amount (estimated, if necessary) of net income or retained income which has to be provided for capital expenditures, and for sinking and other funds pursuant to provisions of reorganization plans, mortgages, deeds of trust, or other contracts _____ \$ 600

5. Estimated amount of future earnings which can be realized before paying Federal income taxes because of unused and available net operating loss carryover on January 1 of the year following that for which the report is made _____ \$ None

6. (a) Explain the procedure in accounting for pension funds and recording in the accounts the current and past service pension costs, indicating whether or not consistent with the prior year: _____
N/A

(b) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. _____ None \$

(c) Is any part of pension plan funded? Specify. Yes _____ No ☒

(i) If funding is by insurance, give name of insuring company _____ None

(ii) If funding is by trust agreement, list trustee(s) _____ None

Date of trust agreement or latest amendment _____

If respondent is affiliated in any way with the trustee(s), explain affiliation: _____

None

(d) List affiliated companies which are included in the pension plan funding agreement and describe basis for allocating charges under the agreement _____

(e)(i) Is any part of the pension plan fund invested in stock or other securities of the respondent or any of its affiliates? Specify.

Yes _____ No ☒

If yes, give number of the shares for each class of stock or other security: _____

(ii) Are voting rights attached to any securities held by the pension plan? Specify. Yes _____ No ☒ If yes, who determines how stock is voted? _____

NOTE: Respondent carries a service interruption policy with the Imperial Insurance Company (Cayman Island), Limited, under which it will be entitled to indemnity for certain work stoppage losses. In the event such losses are sustained by other railroads holding similar policies, respondent may be obligated to pay additional premiums.

NOTES AND REMARKS

NOTES AND REMARKS

300. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies.
 2. In column (d) show against the appropriate account the amount of income that is offset by deductions in other income accounts of respondent so far as they relate to companies the operations of which are covered by this operating report, the amount of such deductions or dispositions to be also shown against appropriate accounts. For example, road (A) operates road (B) under

lease for a rental of \$1,000,000, but road (A) owns 50 percent of the stock of road (B) on which it receives \$250,000 in dividends. The entries in column (d) should be: Account No. 513, "Dividend income," \$250,000; Account No. 542, "Rent for leased roads and equipment," \$250,000. Again, if road (C) has issued its own securities to acquire a part or all of the securities of road (D), a separately operated carrier, no entries should be made in column (d) by road (C) even though dividends or interest be received on such securities held by road (C). But if road (D) is a

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
	ORDINARY ITEMS	\$	\$	\$
	OPERATING INCOME			
	Railway Operating Income			
1	(501) Railway operating revenues (p. 73)	132,188	120,953	
2	(531) Railway operating expenses (p. 74)	99,950	93,468	
3	Net revenue from railway operations	32,238	27,485	
4	(532) Railway tax accruals (p. 86)	10,314	6,654	
5	(533) Provision for deferred taxes (p. 87)	980		
6	Railway operating income	20,944	20,831	
	Rent Income			
7	(503) Hire of freight cars and highway revenue equipment—			
	Credit balance (p. 90)			
8	(504) Rent from locomotives (p. 91)	140	42	
9	(505) Rent from passenger-train cars (p. 91)			
10	(506) Rent from floating equipment			
11	(507) Rent from work equipment	1	1	
12	(508) Joint facility rent income	333	344	
13	Total rent income	474	387	
	Rents Payable			
14	(536) Hire of freight cars and highway revenue equipment—			
	Debit balance (p. 90)	11,931	14,761	
15	(537) Rent for locomotives (p. 91)	714	649	
16	(538) Rent for passenger-train cars (p. 91)			
17	(539) Rent for floating equipment			
18	(540) Rent for work equipment	217	258	
19	(541) Joint facility rents	866	705	
20	Total rents payable	13,728	16,373	
21	Net rents (lines 13, 20)	(13,254)	(15,986)	
22	Net railway operating income (lines 6, 21)	7,690	4,845	
	Other Income			
23	(502) Revenues from miscellaneous operations (p. 53)			
24	(509) Income from lease of road and equipment (p. 88)		1	
25	(510) Miscellaneous rent income (p. 88)	364	364	
26	(511) Income from nonoperating property (p. 53)	181	162	
27	(512) Separately operated properties—Profit (p. 89)			
28	(513) Dividend income (from investments under cost only)	48	48	
29	(514) Interest income	452	682	
30	(516) Income from sinking and other reserve funds	33	57	
31	(517) Release of premiums on funded debt	19	16	
32	(518) Contributions from other companies			
33	(519) Miscellaneous income (p. 94)	(a) 1,245	608	
34	Dividend income (from investments under equity only)	\$ x x x x	x x x x	x x x x
35	Undistributed earnings (losses)	(249)	x x x x	x x x x
36	Equity in earnings (losses) of affiliated companies (lines 34, 35)	(249)		x x x x
37	Total other income	2,093	1,938	
38	Total income (lines 22, 37)	9,783	6,783	
	Miscellaneous Deductions From Income			
39	(534) Expenses of miscellaneous operations (p. 53)			
40	(535) Taxes on miscellaneous operating property (p. 53)			
41	(543) Miscellaneous rents (p. 93)	1,003	945	
42	(544) Miscellaneous tax accruals (p. 53)	9	6	
43	(545) Separately operated properties—Loss (p. 89)			

300. INCOME ACCOUNT FOR THE YEAR—Continued

"proprietary" company for which no separate operating report is rendered, appropriate entries in column (d) should be made by road (C). If a leased road is assigned to another company for operation, the rent paid should be offset by the rent received. The examples indicated should not be taken to exclude others of a similar nature.

3. Returns for the year reported on lines 1 to 22, inclusive, should be analyzed in columns (e) to (k) in accordance with the Commission's rules governing the separation of operating expenses between freight and passenger service; railroads.

4. Any unusual accruals involving substantial amounts included in column (b) on lines 7 to 54,

inclusive, should be fully explained in a footnote.

5. All contra entries hereunder should be indicated in parenthesis.
(Dollars in thousands)

6. Line 28 includes only dividends from investments accounted for under the cost method. Line 34 includes only dividends accounted for under the equity method. Line 35 includes the undistributed earnings from investments accounted for under the equity method. Line 36 represents the earnings (losses) of investee companies accounted for under the equity method.

RAIL-LINE, INCLUDING WATER TRANSFERS						Other items not related to either freight or to passenger and allied services (k)	Line No.
Related solely to freight service (e)	Apportioned to freight service (f)	Total freight service (g)	Related solely to passenger and allied services (h)	Apportioned to passenger and allied services (i)	Total passenger service (j)		
\$	\$	\$	\$	\$	\$	\$	
132,188		132,188					1
99,950		99,950					2
x x x x x	x x x x x	32,238	x x x x x	x x x x x			3
10,314		10,314					4
980		980					5
x x x x x	x x x x x	20,944	x x x x x	x x x x x			6
							7
140		140					8
							9
							10
1		1					11
333		333					12
x x x x x	x x x x x	474	x x x x x	x x x x x			13
11,931		11,931					14
714		714					15
							16
							17
217		217					18
866		866					19
x x x x x	x x x x x	13,728	x x x x x	x x x x x			20
x x x x x	x x x x x	(13,254)	x x x x x	x x x x x			21
x x x x x	x x x x x	7,690	x x x x x	x x x x x			22

If this report is made for a system, list hereunder the names of all companies included in the system returns:

The Kansas City Southern Railway Company

The Maywood and Sugar Creek Railway Company

Louisiana & Arkansas Railway Company

The Arkansas Western Railway Company

Fort Smith and Van Buren Railway Company

300. INCOME ACCOUNT FOR THE YEAR—Concluded

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
44	(549) Maintenance of investment organization	\$	\$	\$
45	(550) Income transferred to other companies			
46	(551) Miscellaneous income charges (p. 94)	501	193	
47	Total miscellaneous deductions	1,513	1,144	
48	Income available for fixed charges (lines 38, 47)	8,270	5,639	
	Fixed Charges			
49	(542) Rent for leased roads and equipment (p. 92)	233	236	
	(546) Interest on funded debt:			
50	(a) Fixed interest not in default	5,217	4,860	
51	(b) Interest in default			
52	(547) Interest on unfunded debt			
53	(548) Amortization of discount on funded debt	17	14	
54	Total fixed charges	5,467	5,110	
55	Income after fixed charges (lines 49, 54)	2,803	529	
	Other Deductions			
	(546) Interest on funded debt:			
56	(c) Contingent interest			
57	Ordinary income (lines 55, 56)	2,803	529	
	EXTRAORDINARY AND PRIOR PERIOD ITEMS			
58	(570) Extraordinary items - Net Credit (Debit) (p. 94)			
59	(580) Prior period items - Net Credit (Debit) (p. 94)		(782)	
60	(590) Income taxes on extraordinary and prior period items - Debit (Credit) (p. 94)			
61	(591) Provision for deferred taxes - Extraordinary and prior period items (p. 87)			
62	Total extraordinary and prior period items - Credit (Debit)		(782)	
63	Net income transferred to Retained Income - Unappropriated (lines 57, 62)	2,803	(253)	

NOTE.—See page 19 for explanatory notes, which are an integral part of the Income Account for the Year.

In accordance with Docket No. 34178 (Sub-No. 2), show below the effect of deferred taxes on prior years net income as reported in annual reports to the Commission. Debit amounts in columns (b) and (d), and credit amounts in column (c) should be indicated by parentheses.

(Dollars in thousands)

Year (a)	Net income as reported (b)	Provision for deferred taxes (c)	Adjusted net income (d)
1973	\$ (253)	\$ 890	\$ (1,143)
1972	7,793	340	7,453
1971	(3,472)	1,390	(4,862)

INCOME ACCOUNT FOR THE YEAR—EXPLANATORY NOTES

The space below is provided for the purpose of disclosing additional information concerning items of income for the current year. Each carrier shall give the particulars of items herein. Enter in separate notes with suitable explanation, amounts included in income accounts in connection with any unusual and material accrual or changeover in accounting practice, and other matters of the character commonly disclosed in financial statements under generally accepted accounting and reporting principles. Minor items which have no consequential effect on net income for the

year need not be reported. If carrier has nothing to report, insert the word "None". The tax consequences of use of accelerated depreciation and tax guideline service lives, the investment tax credit, as well as other unusual and significant tax items and matters, are to be disclosed in Schedule 350, under Section C pertaining to analysis of Federal income taxes. The explanation of items included in accounts 570, "Extraordinary items"; 580, "Prior period items"; and 590, "Income taxes on extraordinary and prior period items" are to be disclosed in Schedule 396, page 94.

305. RETAINED INCOME - UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in un-

distributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 2 (line 6 if debit balance), column (c), should agree with line 36, column (b), schedule 300. The total of columns (b) and (c), lines 2 and 6, should agree with line 63, column (b), schedule 300.

6. Include in column (b) only amounts applicable to retained income exclusive of any amounts included in column (c). (Dollars in Thousands)

Line No.	Item (a)	Amount (b)	Amount (c)
1	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at beginning of year*	\$ 77,163	\$(990)
	CREDITS		
2	(602) Credit balance transferred from income	3,052	
3	(606) Other credits to retained income		
4	(622) Appropriations released	600	
5	Total	3,652	
	DEBITS		
6	(612) Debit balance transferred from income		249
7	(616) Other debits to retained income	25,578	
8	(620) Appropriations for sinking and other reserve funds	600	
9	(621) Appropriations for other purposes		
10	(623) Dividends (p. 20)		
11	Total	26,178	249
12	Net increase (decrease) during year*	(22,526)	(249)
13	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at end of year*	54,637	(1237)
14	Balance from line 13 (c)*	(22,775)	x x x x x
15	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year*	53,398	x x x x x
	Remarks		
	Amount of assigned Federal income tax consequences:		x x x x x
16	Account 606		x x x x x
17	Account 616		x x x x x

*Amount in parentheses indicates debit balance.

Note: See p. 94, schedule 396, for analysis for Retained Income Accounts.

308. DIVIDEND APPROPRIATIONS

1. Give particulars of each dividend declared. For par value or nonpar stock, show in column (d) the respective total par value or total number of shares on which dividend was declared and the corresponding rate percent or per share in column (b) or (c). If any such dividend was payable in anything other than cash, explain the matter fully in a footnote.

2. If an obligation of any character has been incurred for the purpose of procuring funds for the payment of any dividend or for the purpose of

replenishing the treasury of the respondent after payment of any dividend, give full particulars in a footnote. If any class of stock received a return not reportable in this schedule, state the particulars of the case in a footnote.

3. The sum of the dividends stated in column (e) should equal the amount shown in schedule No. 305.

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)	DATES	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
1				\$	\$		
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13				Total	None	None	None

309. STATEMENT OF CHANGES IN FINANCIAL POSITION

Give the information as requested concerning the source and application of funds during the year. Funds for the purpose of this schedule shall include all assets or financial resources even though a transaction may not directly affect cash or working capital. For example, the purchase of property in exchange for shares of stock or bonds would be an applica-

tion of funds for investment in property provided by the issue of securities. Sources and uses of funds should be individually disclosed. For example, outlays for fixed assets should not be reported net of retirements.

(Dollars in thousands)

Line No.	Item (a)	Amount (b)	Amount (c)
		\$	
	Sources of funds:		
1	Net income (page 18, line 58) <u>2,803</u>	3,052	
	Add non-cash charges for:		
2	Depreciation and amortization	6,341	
3	Retirements of nondepreciable property	226	
	Add non-cash charges for additions (deduct for decreases) to reserves:		
4	Pension and welfare reserves		
5	Insurance reserves		
6	Casualty and other reserves	(1,054)	
7	Interest in default		
8	Other important items (specify) <u>A/C 786 Accumulated def. tax credits</u>	26,558	
9	<u>Other liabilities and deferred credits</u> <u>379</u>	130	
10	Funds provided by operations		\$ 35,253
11	Proceeds from sale of capital stock of own issue		
12	Proceeds from sale of funded debt and other obligations of own issue (except equipment obligations)		
13	Proceeds from sale of equipment obligations of own issue		6,570
14	Book value of depreciable transportation property retired during year	2,461	
15	Less service value charged to accrued depreciation account	1,567	894
16	Net book value of miscellaneous physical property disposed of during year		114
17	Net book value of investment securities disposed of during year		
18	Advances, notes and other debts repaid by affiliated companies		637
19	Advances, notes and other debts repaid by other companies		28
20	Net decrease in sinking and other reserve funds		
21	Net decrease in working capital (total current assets less total current liabilities)*		672
22	Other sources (specify)		
23	<u>Decrease in other assets and deferred charges</u>		109
24			
25			
26	Total sources of funds (should be same as line 43)		44,277
	Application of funds:		
27	Investment in transportation property (excluding donations and grants)		9,428
28	Investment in miscellaneous physical property		206
29	Investments and advances, affiliated ICC regulated carriers		
30	Investments and advances, other affiliated companies		
31	Investments in nonaffiliated companies		
32	Advances, notes and other debts repaid to other companies		
33	Capital stock of own issue reacquired		
34	Funded debt and other obligations paid or reacquired, (except equipment obligations)		595
35	Equipment obligations paid or reacquired		7,927
36	Net increase in sinking and other reserve funds		224
37	Payment of dividends (other than stock dividends)		
38	Net increase in working capital*		
39	Other applications (specify)		
40	<u>Difference between cost and par of bonds reacquired</u>		319
41	<u>Prior years deferred income taxes</u>		25,578
42			
43	Total application of funds (should be same as line 26)		44,277

* For the purpose of this schedule, account 764, Long-term Debt Due Within One Year, shall be classified as a current liability in the determination of working capital.

NOTES AND REMARKS

201. ITEMS IN SELECTED CURRENT ASSET ACCOUNTS

Give brief description for each item or class of items of like description in accounts Nos. 702, "Temporary cash investments"; 703, "Special deposits"; 704, "Loans and notes receivable"; 709, "Accrued accounts receivable"; 711, "Prepayments"; and 713, "Other current assets," at the close of the year. Show description of the temporary cash investments, the names of depositaries for the special deposits, the character of loans and notes, with name of debtor (or class of debtors), dates of issue and maturity, and appropriate description for each class of accrued accounts receivable and for the other current assets. Show

the three largest items in each account regardless of the dollar amount, and all other items (or the aggregate of a class of items of like description, amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in schedule 200. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

Line No.	Account No. (a)	Item (b)	(Dollars in Thousands)	Amount (c)
			Due	\$
1	702	Temporary Cash Investments		
2		Sears, Roebuck Accept. Corp. - Notes	1-75	3,400
3		Ford Motor Credit Co. - Notes	1-75	2,200
4		C.I.T. - Notes	1-75	600
5		Johnson City, Tennessee Revenue Bonds	1976-77-78	225
6		Total Account 702		6,425
7				
8	703	Special Deposits		
9		Deposits for funded debt payment		17
10		Deposits for dividends		2
11		Total Account 703		19
12				
13	704	Loans And Notes Receivable		None
14				
15	709	Accrued Accounts Receivable		
16		Unreported freight revenue in transit		6,223
17		Estimate car repair bills receivable		80
18		Estimate rack rental due from Trailer Train Co.		180
19		Estimate joint facility items with other railroads		300
20		A&B flashers and construction projects due from others		502
21		Derailments due from others		84
22		Freight transportation due from others		76
23		Estimate per diem due from T&N Ry. Co.		70
24		Refundable federal excise tax		32
25		Other items, each less than \$250,000		162
26		Total Account 709		7,709
27				
28	711	Prepayments		
29		Prepaid Insurance premiums		330
30		Prepaid rents		123
31		Total Account 711		453
32				
33	713	Other Current Assets		
34		Advance in transit and unadjusted charges		70
35				
36				
37				

204. SINKING, CAPITAL, INSURANCE, AND OTHER RESERVE FUNDS

Give the particulars called for with respect to reserve funds included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

Except for deposits held by trustees for proceeds from sale of mortgaged properties, unspent proceeds from sale of equipment obligations, or the value of cars destroyed pledged under equipment financing obligations, which may be reported in total for each category, the designation of the individual fund as carried in the respondent's records should be

entered in Column (b). The entry should indicate the kind of fund, such as sinking, capital, property insurance, pension or relief; the rate of interest, if any; and the date of maturity.

Show the three largest funds in each account, and funds earmarked incentive per diem, regardless of the dollar amount, and all other funds where the amount reportable in Columns (d), (e), (f) or (g) is \$250,000, or more. Each fund amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000"

Line No.	Account No.	Name, kind, and purpose of fund	Name of trustee or depository
	(a)	(b)	(c)
1	715	<u>Sinking Funds</u>	
2			
3		Series C First Mortgage 3-1/4% Bonds	Chemical Bank, New York
4			
5			
6	716	<u>Capital And Other Reserve Funds</u>	
7			
8		Ex Parte 305	Ford Motor Credit Notes - 9-5/8%
9			Due 1-29-75
10			
11		Deposits for destroyed equipment	Chemical and Manufacturers Trust Co.
12			
13		Equipment Purchase Agreement 1-15-74	Chemical Bank, New York
14			
15		Mortgage Property Sold	Chemical Bank, New York
16			
17		Voting Trust Certificates -	
18		Preferred Stock	Chemical Bank, New York
19		Common Stock	Chemical Bank, New York
20			
21			Total Account 716
22			
23			
24	717	<u>Insurance And Other Funds</u>	
25			
26		Barclays Bank	Nassau Bahamas
27			
28			
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			

¹Includes income of \$ _____ earned on earmarked incentive per diem funds.

204. SINKING, CAPITAL, INSURANCE, AND OTHER RESERVE FUNDS—Concluded

Insert totals separately for each account. Such totals of columns (g) and (i) should be the same as those stated in short columns (a₁) and (a₂), respectively, in the comparative general balance sheet statement. Entries in column (g) should be the sums of corresponding entries in columns (d) and (e), less those shown in column (f), and the sum of entries in columns (h), (i), and (j) should equal those in column (g).

All conversions of cash into securities, or vice versa, shall be treated as withdrawals from the fund in column (f) and as additions to the fund in

column (e).

Funds representing net credit balances of earmarked incentive per diem should be reported separately for each year. The amount of income earned on these funds should be reported in footnote to this schedule.¹ Wholly owned Canadian subsidiary lines should subdivide the earmarked funds between monies received from Canadian parent companies as a result of incentive charges and the carrier's own credit balances.

(Dollars in thousands)

Balance at beginning of year—Book value (d)	Additions during the year—Book value (e)	Withdrawals during the year—Book value (f)	Balance at close of year—Book value (g)	Assets in Funds at Close of Year			Line No.
				Cash (h)	Securities issued or assumed by respondent (i)	Other securities and invested assets (j)	
\$							1
							2
7	600	600	7	7			3
							4
							5
							6
							7
	439		439			439	8
							9
237		196	41	8		33	10
							11
	6,625	6,625					12
							13
24	552	576					14
							15
							16
2			2	2			17
4			4	4			18
							19
267	7,616	7,397	486	14		472	20
							21
							22
							23
							24
95	5		100			100	25
							26
							27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							38
							39
							40
							41

NOTES AND REMARKS

GENERAL INSTRUCTIONS CONCERNING RETURNS IN SCHEDULES 205 AND 206

1. Schedules 205 and 206 should give particulars of stocks, bonds, other secured obligations, unsecured notes, and investment advances of affiliated and nonaffiliated companies held by respondent at close of year specifically as investments including obligations of the United States, of a State or local government, or of an individual, so held; investments made, disposed of, or written down during the year; and dividends and interest credited to income. They should exclude securities issued or assumed by respondent. For definition of affiliated companies, see the rules governing account No. 721, "Investments in affiliated companies," in the Uniform System of Accounts for Railroad Companies.

2. These investments should be subdivided to show the book value pledged, unpledged, and held in fund accounts. Under "pledged" include the book value of securities recorded in accounts Nos. 721, "Investments in affiliated companies," and 722 "Other investments," which are deposited with some pledgee or other trustee, or held subject to the lien of a chattel mortgage, or subject to any other restriction or condition which makes them unavailable for general corporate purposes. "Unpledged" should include all securities held by or for the respondent free from any lien or restriction, recorded in the accounts mentioned above. Under "In sinking, insurance, and other funds" include the book value of securities recorded in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; and 717, "Insurance and other funds."

3. List the investments in the following order and show a total for each group and each class of investments by accounts in numerical order:

(A) Stocks:

- (1) Carriers—active.
- (2) Carriers—inactive.
- (3) Noncarriers—active.
- (4) Noncarriers—inactive.

(B) Bonds (including U. S. Government Bonds):

(C) Other secured obligations:

(D) Unsecured notes:

(E) Investment advances:

4. The subclassification of classes (B), (C), (D), and (E) should be the same as that provided for class (A).

5. The kinds of industry represented by respondent's investments in the securities of other companies should be shown by symbol opposite the names of the issuing corporations, the symbols and industrial classifications to be as follows:

Symbol	Kind of industry
I	Agriculture, forestry, and fisheries.
II	Mining.
III	Construction.
IV	Manufacturing.
V	Wholesale and retail trade.
VI	Finance, insurance, and real estate.
VII	Transportation, communications, and other public utilities.
VIII	Services.
IX	Government.
X	All other.

6. By carriers, as the term is here used, is meant companies owning or operating railroads, facilities auxiliary thereto such as bridges, ferries, union depots, and other terminal facilities, sleeping cars, parlor cars, dining cars, freight cars, express service and facilities, electric railways, highway motor vehicles, steamboats and other marine transportation equipment, pipe lines (other than those for transportation of water), and other instrumentalities devoted to the transportation of persons or property for hire. Telegraph and telephone companies are not meant to be included.

7. Noncarrier companies should, for the purposes of these schedules, include telephone companies, telegraph companies, mining companies, manufacturing companies, hotel companies, etc. Purely "holding companies" are to be classed as noncarrier companies, even though the securities held by such companies are largely or entirely those issued or assumed by carriers.

8. By an active corporation is meant one which maintains an organization for operating property or administering its financial affairs. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

9. Any balance in account 723, Reserve for adjustment of investment in securities - Credit, shall be disclosed by footnote to the securities against which such reserves were established.

10. Show dollars in thousands.

NOTES AND REMARKS

205. INVESTMENTS IN AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; and 717, "Insurance and other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 27, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise

encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
						Pledged	Unpledged
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	721			Investments In Affiliated Companies	% \$	\$	
2							
3				Capital Stock			
4	A-1	VII		The K.C., Shreveport and Gulf Term. Co.	100		
5				Kansas City Terminal Railway Co.	8-1/3	183	
6				Joplin Union Depot Company	33-1/3	10	
7				Kansas City Southern Transport Co., Inc.	100		
8				Louisiana, Arkansas & Texas Transpn. Co.	100		10
9				Landa Motor Lines	100		20
10				The Pullman Company (Negligible)			24
11				Trailer Train Company	2.9		99
12				Total Class A-1		193	153
13							
14	A-3	VI		Tolmak, Inc.	100		1,239
15		VI		Southern Development Company	100		10
16		X		Kansas City Southern Ind. - Preferred	2.6		1,038
17				Total Class A-3			2,287
18				Total Class A		193	2,440
19							
20				Bonds			
21	E-1	VII		The K.C., Shreveport and Gulf Term. Co.	100		
22							
23				Notes			
24	D-1	VII		Railway Express Agency (Negligible)			87
25	A-1	VII		Trailer Train Company (Negligible)			154
26				Total Notes			241
27							
28				Investment Advances			
29	E-1	VII		The K.C., Shreveport and Gulf Term. Co.	100		
30		VII		Kansas City Terminal Company	8-1/3		1,505
31		VII		Joplin Union Depot Company	33-1/3		177
32		VII		Kansas City Southern Transport Co.	100		595
33		VII		Landa Motor Lines	100		194
34		VII		Louisiana, Arkansas & Texas Transpn. Co.	100		600
35				Total Class E-1			3,071
36							
37	E-3	VI		Southern Development Company	100		3,778
38		V		Tolmak, Inc.	100		4,370
39				Total Class E-3			8,148
40				Total Class E			11,219
41							
42				Total Account 721		193	13,900
43							
44							
45							
46							

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (l) inclusive. If the cost of any investment made during the year differs from the book value report-

ed in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k), which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

9. This schedule should not include securities issued or assumed by respondent. (Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)	
In sinking, insurance, and other funds (h)	Total book value (i)						
\$	\$	\$	\$	\$	%	\$	
							1
							2
			150	147			3
	183						4
	10						5
	10						6
	20						7
	24						8
	99						9
	346		150	147			10
							11
	1,239						12
	10						13
	1,038				\$1.00 Sh	48	14
	2,287					48	15
	2,633		150	147		48	16
							17
							18
			142				19
							20
	87						21
	154					11	22
	241				6½-7½	11	23
							24
			380				25
	1,505						26
	177						27
	595						28
	194						29
	600						30
	3,071		380				31
							32
	3,778						33
	4,370		129	129			34
	8,148		129	129			35
	11,219		509	129			36
							37
	14,093		801	276		59	38
							39
							40
							41
							42
							43
							44
							45
							46

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
						Pledged	Unpledged
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
					% \$		\$
47							
48							
49							
50							
51							
52							
53							
54							
55							
56							
57							
58							
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72				Completed On Pages 28 And 29			
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205. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.	
Book Value of Amount Held at Close of Year			Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)		
In sinking, insurance, and other funds (h)	Total book value (i)				%	\$		
\$	\$	\$	\$	\$			47	
							48	
							49	
							50	
							51	
							52	
							53	
							54	
							55	
							56	
							57	
							58	
							59	
							60	
							61	
							62	
							63	
							64	
							65	
							66	
							67	
							68	
							69	
							70	
							71	
		Completed On Pages 28 And 29						72
							73	
							74	
							75	
							76	
							77	
							78	
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							80	
							81	
							82	
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							96	
							97	
							98	
							99	

Completed On Pages 28 And 29

206. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of others than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and other funds." Investments included in accounts Nos. 715, 716 and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 27, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and

(c). Investment in U. S. Treasury obligations may be reported as one item.

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designa-

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government; and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR	
					Book Value of Amount Held at Close of Year	
					Pledged	Unpledged
(a)	(b)	(c)	(d)		(e)	(f)
1	715			<u>Sinking Funds</u>	\$	\$
2						
3				Series C First Mortgage 3-1/4% Bonds		
4						
5	716			<u>Capital And Other Reserve Funds</u>		
6						
7	B-3	IX		Deposits for Destroyed Equipment		
8				U.S. Treasury Obligations		41
9	B-3	IX		Chemical Bank - Purchase Agreement 1-15-74		
10	C-3	X		Ex Parte 305		439
11				Voting Trust Certificates - Preferred & Common		6
12						
13				Total Account 716		486
14						
15	717			<u>Insurance And Other Funds</u>		
16						
17				Barclays Bank, Nassau Bahamas		100
18						
19	722			<u>Other Investments</u>		
20	A-3	X		Greater Springhill Corporation		(10 Shares)
21				Club Memberships		1
22		X		Downtown Redevelopment Corporation		
23		X		Polk County Industrial Foundation		
24		X		Noel Development, Inc.		1
25		X		Sallisaw Industrial Corporation		1
26		X		First Missouri Development Corporation		1
27						
28				Total Class A-3		4
29						
30	B-3	X		Louisiana State Fair Stadium		1
31						
32	C-3	X		Noel Development, Inc.		
33						
34	D-3	X		KCS Employees Hospital Association Note		2
35						
36				Total Account 722		7
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						

206. OTHER INVESTMENTS—Continued

tion mature serially, the date in column (d) may be reported as "Serially 19 ____ to 19 ____." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

6. If any advances reported are pledged, give particulars in a footnote.

7. Particulars of investments made, disposed of, or written down during the year should be given in columns (i) and (k). If the cost of any investment made during the year differs from the book value reported in

column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in the footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

(Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (j)	Selling price (k)	Rate (l)	Amount credited to income (m)	
In sinking, insurance, and other funds (g)	Total book value (h)						
\$	\$	\$	\$	\$	%	\$	
							1
	7	600	600	600			2
							3
							4
							5
							6
	41	2	197	197		2	7
		6,625	6,62	6,625		21	8
	439	439					9
	6						10
							11
	486	7,066	6,822	6,822		23	12
							13
							14
							15
	100	5				10	16
							17
							18
	1						19
	1						20
			25	21			21
			1	1			22
	1						23
	1						24
	1						25
							26
	5		26	22			27
							28
	1						29
							30
			1	1		1	31
							32
	2						33
							34
	8		27	23		1	35
							36
							37
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206. OTHER INVESTMENTS—Continued

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR	
					Book Value of Amount at Close of Year	
					Pledged	Unpledged
	(a)	(b)	(c)	(d)	(e)	(f)
47					\$	\$
48						
49						
50						
51						
52						
53						
54						
55						
56						
57						
58						
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72				Completed On Pages 32 And 33		
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206. OTHER INVESTMENTS—Concluded

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (j)	Selling price (k)	Rate (l)	Amount credited to income (m)	
In sinking, insurance, and other funds (g)	Total book value (h)						
\$	\$	\$	\$	\$	%	\$	47
							48
							49
							50
							51
							52
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							99

Completed On Pages 32 And 33

207. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES Undistributed Earnings From Certain Investments in Affiliated Companies

1. Report below the details of all investments in common stocks included in Account 721, Investments in Affiliated Companies, which qualify for the equity method under instruction 6-2 in the Uniform System of Accounts for Railroad Companies.

2. Enter in column (c) the amount necessary to retroactively adjust those investments qualifying for the equity method of

accounting in accordance with instruction 6-2 (b)(11) of the Uniform System of Accounts for Railroad Companies.

3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) or losses.

4. Enter in column (e) the amortization for the year of the excess of cost over equity in net assets (equity over cost) at date

of acquisition. See instruction 6-2 (b)(4).

5. The total of column (g) must agree with column (b), line 21, schedule 200.

6. For definitions of "carrier" and "noncarrier," see general instructions 6 and 7 on page 27.

(DOLLARS IN THOUSANDS)

Line No.	Name of issuing company and description of security held. (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at Close of year (g)
	Carriers: (List specifics for each company)						
1	Kansas City Southern Transport, Inc. Common Stock	\$ (838)	\$	\$ (94)	\$	\$	\$ (932)
2							
3	Landa Motor Lines " "	(110)		32			(78)
4							
5	Louisiana, Arkansas & Texas						
6	Transportation Company " "	(263)		(15)			(278)
7							
8	Southern Development Company " "	(852)		(163)			(1,015)
9							
10	Tolmak, Inc. " "	367		32			399
11							
12	The Kansas and Missouri Railway and						
13	Terminal Company " "	730		(41)			689
14							
15	Joplin Southern Corporation " "	(24)					(24)
16	(51% owned by Southern Development Company)						
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							

KANSAS CITY SOUTHERN LINES CONSOLIDATED

Road Initials:

Year: 1974

207. INVESTMENTS IN COMMON STOCKS OF AFFILIATED COMPANIES (Continued)

Undistributed Earnings From Certain Investments in Affiliated Companies

Line No.	Name of issuing company and description of security held (a)	Balance at beginning of year (b)	Adjustment for investments qualifying for equity method (c)	Equity in undistributed earnings (losses) during year (d)	Amortization during year (e)	Adjustment for investments disposed of or written down during year (f)	Balance at Close of year (g)
	Carriers: (List specifics for each company).	\$	\$	\$	\$	\$	\$
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
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47							
48							
49							
50							
51							
52							
53							
54							
55							
56							
57							
58							
59	Total _____	(481)		(118)			(599)
60	Noncarriers: (Show totals only for each column) _____	(509)		(131)			(640)
61	Total (lines 59 and 60) _____	(990)		(249)			(1,239)

Road Initials:

Year: 1974 KANSAS CITY SOUTHERN LINES CONSOLIDATED

35B

209. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES

1. Give particulars of investments represented by securities and advances (including securities issued or assumed by respondent), and of other intangible property, indirectly owned or controlled by respondent through any subsidiary which does

not report to the Commission under the provisions of Part I of the Interstate Commerce Act, without regard to any question of whether the company issuing the securities, or the obligor, is controlled by the subsidiary.

Line No.	Class No.	Name of issuing company and security or other intangible thing in which investment is made	Total book value of investments at close of year	Book value of investments made during year
	(a)	(b)	(c)	(d)
1	A-1	The Kansas City Southern Railway - Common Stock	\$	\$
2		100 Shares	9	
3				
4	A-3	Lake Mena, Inc. - Capital Stock		
5		1,028 Shares	25	
6				
7	A-3	Joplin Southern Corporation - Capital Stock	114	
8				
9	A-3	Shoppers Improvement Co. - Capital Stock		
10		95 Shares	10	
11				
12	A-3	Pittsburg Industrial Corp. - Capital Stock		
13		200 Shares	10	
14				
15		Total Class A	168	
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				

NOTES AND REMARKS

209. SECURITIES, ADVANCES, AND OTHER INTANGIBLES OWNED OR CONTROLLED THROUGH NONREPORTING CARRIER AND NONCARRIER SUBSIDIARIES--Continued

2. This schedule should include all securities, open account advances, and other intangible property owned or controlled by nonreporting companies shown in schedules 104A, 104B, and 205, as well as those owned or controlled by any other organization or individual whose action respondent is able to determine.

3. Investments in U.S. Treasury obligations may be combined in a single item.
4. Column (a), Class No., should show classifications as provided in instructions 3 and 4, page 27.

(Dollars in thousands)

INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		Names of subsidiaries in connection with things owned or controlled through them (g)	Line No.
Book value (e)	Selling price (f)		
\$	\$		1
		Tolmak, Inc.	2
			3
			4
		Southern Development Company	5
			6
		Southern Development Company	7
			8
			9
		Southern Development Company	10
			11
			12
		Southern Development Company	13
			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25

NOTES AND REMARKS

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 40)

Line No	Account (a)	(Dollars in thousands) (b)	Balance at beginning of year (c)	Expenditures during the year for original road and equipment, and road extensions (d)	Expenditures during the year for purchase of existing lines, reorganizations, etc. (e)
1	(1) Engineering	\$ 2,095	\$	\$	
2	(2) Land for transportation purposes	5,941			
3	(2 1/2) Other right-of-way expenditures	169			
4	(3) Grading	19,380			
5	(5) Tunnels and subways				
6	(6) Bridges, trestles, and culverts	14,748			
7	(7) Elevated structures				
8	(8) Ties	7,569			
9	(9) Rails	14,377			
10	(10) Other track material	11,193			
11	(11) Ballast	9,668			
12	(12) Track laying and surfacing	7,059			
13	(13) Fences, snowsheds, and signs	537			
14	(16) Station and office buildings	7,015			
15	(17) Roadway buildings	311			
16	(18) Water stations	112			
17	(19) Fuel stations	608			
18	(20) Shops and enginehouses	6,111			
19	(21) Grain elevators				
20	(22) Storage warehouses				
21	(23) Wharves and docks				
22	(24) Coal and ore wharves				
23	(25) TOFC/COFC terminals	465			
24	(26) Communication systems	2,329			
25	(27) Signals and interlockers	5,444			
26	(29) Power plants	33			
27	(31) Power-transmission systems	702			
28	(35) Miscellaneous structures	224			
29	(37) Roadway machines	654			
30	(38) Roadway small tools	40			
31	(39) Public improvements—Construction	2,626			
32	(43) Other expenditures—Road	27			
33	(44) Shop machinery	1,539			
34	(45) Power-plant machinery	145			
35	Other (specify and explain)				
36	Total expenditures for road	121,121			
37	(52) Locomotives	32,554			
38	(53) Freight-train cars	89,794			
39	(54) Passenger-train cars				
40	(55) Highway revenue equipment				
41	(56) Floating equipment				
42	(57) Work equipment	1,212			
43	(58) Miscellaneous equipment	58			
44	Total expenditures for equipment	123,618			
45	(71) Organization expenses	505			
46	(76) Interest during construction	2,633			
47	(77) Other expenditures—General				
48	Total general expenditures	3,138			
49	Total	247,877			
50	(80) Other elements of investment (p. 33)				
51	(90) Construction work in progress	3,805			
52	Grand Total	251,682			

211. ROAD AND EQUIPMENT PROPERTY (See Instructions page 40)

EXPENDITURES FOR ADDITIONS AND BETTERMENTS DURING THE YEAR		CREDITS FOR PROPERTY RETIRED DURING THE YEAR		Net changes during the year	Balance at close of year	Line No.
Made on owned property (e)	Made on leased property (f)	Owned property (g)	Leased property (h)	(i)	(j)	
\$ 14	\$	\$ 17	\$	\$(3)	\$ 2,092	1
72				(112)	5,829	2
					169	3
557		3		554	19,934	4
						5
376		233		143	14,891	6
						7
10		5		5	7,574	8
300		5		295	14,672	9
223		8		215	11,408	10
44		11		33	9,701	11
6		6			7,059	12
					537	13
31		66		(35)	6,980	14
					311	15
					112	16
					608	17
26		1		25	6,136	18
						19
						20
						21
9				9	474	22
24		101		(77)	2,252	23
11		7		4	5,448	24
					33	25
(5)		1		(6)	696	26
					224	27
1				1	655	28
					40	29
18		5		13	2,639	30
					27	31
		43		(43)	1,496	32
					145	33
						34
1,717		696		1 021	122,142	35
6,534		593		5,941	38,495	36
198		1,311		(1,113)	88,681	37
						38
						39
						40
		61		(61)	1,151	41
		19		(19)	39	42
6,732		1,984		4,748	128,366	43
1		2		(1)	504	44
3		5		(2)	2,631	45
						46
4		7		(3)	3,135	47
8,453		2,687		5,766	253,643	48
						49
975				975	4,780	50
9,428		2,687		6,741	258,423	51
						52

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 211 ON PAGES 38 and 39

1. Give particulars of balances at the beginning and close of the year and of all changes during the year in account No. 731, "Road and Equipment Property," and account No. 732, "Improvements on Leased Property," classified by primary accounts in accordance with the Uniform System of Accounts for Railroad Companies. The balances, by primary accounts, should, insofar as known, be stated in column (b) and all changes made during the year should be analyzed in columns (c) to (h), inclusive. Column (j) is the aggregate of columns (b) to (h), inclusive. Grand totals of columns (b) and (j) should equal the sum of accounts 731 and 732 for the respective periods; if not, full explanation should be made in a footnote.

2. In column (c) are to be shown disbursements made for the specific purpose of purchasing, constructing, and equipping new lines, and for the extension of old lines, as provided for in Instruction 2-1, "Items to be charged," of the Uniform System of Accounts for Railroad Companies, for such items.

3. In column (d) is to be shown the cost of a railway or portion thereof, acquired as an operating entity or system by purchase, merger, consolidation, reorganization, receivership sale or transfer, or otherwise.

4. In columns (e) and (f), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.

5. In column (g) show particulars for improvements made on property held under lease or other form of long-term contract and not charged to the owning company.

6. In columns (g) and (h) should be entered all credits representing property sold, abandoned, or otherwise retired.

7. Both the debit and credit involved in each transfer, adjustment, or clearance, between road and equipment accounts, should be included in the column in which the item was initially included; also the transfer of

prior years' debits or credits from investment in road and equipment to operating expenses or other accounts, or vice versa, should be included in the column applicable to current items of like nature. Each such transfer, adjustment, or clearance should be fully explained when in excess of \$100,000.

8. If during the year an individual charge of \$100,000 or more was made to account No. 2 "Land for transportation purposes," state in a footnote the cost, location, area, and other details which will identify the property.

9. Report on line 35 amounts not includible in the primary road accounts. The items reported should be briefly identified and explained under "Notes and Remarks," below. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

10. If during the year a segment of transportation property was acquired, state in a footnote the name of the vendor, the mileage acquired, and the date of acquisition, giving termini and the cost of the property to the respondent. Also furnish a statement of the amount included in each primary account representing such property acquired, referring to the column or columns in which the entries appear.

11. If an amount of less than \$1,500 is used as the minimum debit or credit for additions and betterments to property investment accounts as provided for in Instruction 2-2, of the Uniform System of Accounts for Railroad Companies, state in a footnote the amount used.

12. Show dollars in thousands.

NOTES AND REMARKS

211A. OTHER ELEMENTS OF INVESTMENT

1. Give particulars and explanation of all entries in account No. 80, "Other elements of investment," during the year.
2. In column (b) show the account number to which the entries in column (c) were credited and the account number to which the entries in

column (d) were charged. If more than one contra account is involved in an item, the amount applicable to each account and total for the item should be shown.
(Dollars in thousands)

Line No.	Item (a)	Contra account number (b)	Charges during the year (c)	Credits during the year (d)
			\$	\$
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50	TOTALS	x x x		
51	NET CHANGES	x x x	None	None

211B. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (e), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to

be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account 542. Report data applicable to improvements to such property, the cost of which is included in account 732, in columns (b), (c) and (d).

4. If the depreciation base for accounts 1, 2-1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account (s) affected.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
		\$	\$	%	\$	\$	%
	ROAD						
1	(1) Engineering	2,090	2,082	.71	5	5	.25
2	(2-1/2) Other right-of-way expenditures	168	168	2.66			
3	(3) Grading	14,453	14,457	.29	28	28	.12
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	14,741	14,824	1.81	7	7	3.45
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	537	537	1.22	1	1	2.01
8	(16) Station and office buildings	7,015	6,986	1.99			
9	(17) Roadway buildings	311	311	2.25			
10	(18) Water stations	113	113	2.62			
11	(19) Fuel stations	608	608	2.53			
12	(20) Shops and enginehouses	6,111	6,111	1.95			
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	465	473	3.96			
18	(26) Communications systems	2,329	2,252	4.29			
19	(27) Signals and interlockers	5,444	5,446	3.59			
20	(29) Power plants	33	33	1.30			
21	(31) Power transmission systems	702	702	3.55			
22	(35) Miscellaneous structures	224	224	3.63			
23	(37) Roadway machines	654	654	*			
24	(39) Public improvements—Construction	2,622	2,639	2.41	4	4	4.28
25	(44) Shop machinery	1,539	1,496	3.67			
26	(45) Power plant machinery	145	145	2.80			
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	60,304	60,261	1.80	45	45	1.08
	EQUIPMENT						
30	(52) Locomotives	32,554	38,496	3.76			
31	(53) Freight-train cars	89,791	88,796	4.05			
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	1,212	1,151	9.00			
36	(58) Miscellaneous equipment	57	40	14.00			
37	Total equipment	123,614	128,483	4.01			
38	GRAND TOTAL	183,918	188,744	XX XX	45	45	XX XX

*Ceased Depreciation

ICC Sub Order R-300-E, effective July 1, 1971 for rates on equipment.

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211C. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the related depreciation reserve is carried in the accounts of the respondent and the rent therefrom is included in account No. 509.

2. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation for the months of January and December, respectively, with respect to road and equipment owned by the respondent but leased to others, the depreciation charges for which are not includible in operating expenses of the respondent, but for which the depreciation reserve is recorded in the accounts of the respondent. If the base for road is other than the original cost or estimated original cost as found by the Commission's Bureau of Accounts, brought to a current date by the respondent from its Order No. 3 records and accounts, or is other than ledger value for equipment, a full explanation should be given.

3. In column (d) show the composite rates used in computing the depreciation for the month of December and on lines 28 and 36 of this column show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary accounts composite rates to the depreciation base used in computing the depreciation for December and dividing the total so computed by the depreciation base.

4. If the depreciation base for accounts 1, 2-1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account (s) affected.

Line No.	Account (a)	DEPRECIATION BASE		Annual composite rate (percent) (d)
		Beginning of year (b)	Close of year (c)	
	(Dollars in thousands)			
	ROAD	\$	\$	
1	(1) Engineering			
2	(2-1/2) Other right-of-way expenditures			
3	(3) Grading			
4	(5) Tunnels and subways			
5	(6) Bridges, trestles, and culverts			
6	(7) Elevated structures			
7	(13) Fences, snowsheds, and signs			
8	(16) Station and office buildings			
9	(17) Roadway buildings			
10	(18) Water stations			
11	(19) Fuel stations			
12	(20) Shops and enginehouses			
13	(21) Grain elevators			
14	(22) Storage warehouses			
15	(23) Wharves and docks			
16	(24) Coal and ore wharves			
17	(25) TOFC/COFC terminals			
18	(26) Communication systems			
19	(27) Signals and interlockers			
20	(29) Power plants			
21	(31) Power transmission systems			
22	(35) Miscellaneous structures			
23	(37) Roadway machines			
24	(39) Public improvements—Construction			
25	(44) Shop machinery			
26	(45) Power-plant machinery			
27	All other road accounts			
28	Total road			
	EQUIPMENT			
29	(52) Locomotives			
30	(53) Freight-train cars			
31	(54) Passenger-train cars			
32	(55) Highway revenue equipment			
33	(56) Floating equipment			
34	(57) Work equipment			
35	(58) Miscellaneous equipment			
36	Total equipment			
37	GRAND TOTAL	None	None	x x x x

211D. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 211F for the reserve relating to road and equipment owned but not used by the respondent.) If any entries are

made for "Other credits" or "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

2. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on line 28.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering	136	15		12		139
2	(2-1/2) Other right-of-way expenditures	110	4				114
3	(3) Grading	317	42		7		352
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	6,029	269		28		6,270
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	487	7				494
8	(16) Station and office buildings	854	139		58		935
9	(17) Roadway buildings	57	7				64
10	(18) Water stations	(8)	3				(5)
11	(19) Fuel stations	124	15		15		124
12	(20) Shops and enginehouses	1,211	120		1		1,330
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	93	18				111
18	(26) Communication systems	131	97		97		131
19	(27) Signals and interlockers	2,885	196				3,081
20	(29) Power plants	(2)					(2)
21	(31) Power-transmission systems	295	25				320
22	(35) Miscellaneous structures	106	8				114
23	(37) Roadway machines	625					625
24	(39) Public improvements—Construction	1,167	63		5		1,225
25	(44) Shop machinery*	183	56		37		202
26	(45) Power-plant machinery*	39	4				43
27	All other road accounts						
28	Amortization (other than defense projects)	24					24
29	Total road	14,863	1,088		260		15,691
	EQUIPMENT						
30	(52) Locomotives	15,184	1,423		484		16,123
31	(53) Freight-train cars	16,649	3,626		752		19,523
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	184	104		53		235
36	(58) Miscellaneous equipment	29	7		18		18
37	Total equipment	32,046	5,160		1,307		35,899
38	GRAND TOTAL	46,909	6,248		1,567		51,590

*Chargeable to account 305.

211E. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED FROM OTHERS

1. Give full particulars called for hereunder with respect to credits and debits to account No. 785, "Accrued depreciation—Leased property," during the year relating to road and equipment leased from others, the depreciation charges for which are includible in operating expenses of the respondent.

2. Show in column (c) amounts which were charged to operating expenses, and in column (f) show payments made to the lessor in settlement thereof. A full explanation should be given of all entries in columns (d) and (f).

3. Any inconsistency between the credits to the reserve as shown in

column (c) and the charges to operating expenses should be fully explained.

4. Show in column (e) the debits to the reserve arising from retirements.

5. If settlement for depreciation is made currently between lessee and lessor, and no debits or credits to account No. 785 are made by the accounting company, show in column (c) the charges to operating expenses and in column (f) show payments made to the lessor in settlement thereof.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
		\$	\$	\$	\$	\$	\$
	ROAD						
1	(1) Engineering						
2	(2-1/2) Other right-of-way expenditures						
3	(3) Grading						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems						
19	(27) Signals and interlockers						
20	(29) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures						
23	(37) Roadway machines						
24	(39) Public improvements—Construction						
25	(44) Shop Machinery*						
26	(45) Power-plant machinery*						
27	All other road accounts						
28	Total road						
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars						
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment						
35	(58) Miscellaneous equipment						
36	Total equipment						
37	GRAND TOTAL	None					None

*Chargeable to account 305.

211F. DEPRECIATION RESERVE—ROAD AND EQUIPMENT LEASED TO OTHERS

1. This schedule is to be used in cases where the depreciation reserve is carried in the accounts of the respondent, and the rent therefrom is included in account No. 509.

2. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment leased to others, the depreciation charges for which are not includible in operating expen-

ses of the respondent. (See schedule 211D for the reserve relating to road and equipment owned and used by the respondent.)

3. If any entries are made for "Other credits" and "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to others (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering						
2	(2-1/2) Other right-of-way expenditures						
3	(3) Grading						
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs						
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems						
19	(27) Signals and interlockers						
20	(29) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures						
23	(37) Roadway machines						
24	(39) Public improvements—Construction						
25	(44) Shop machinery						
26	(45) Power-plant machinery						
27	All other road accounts						
28	Total road						
	EQUIPMENT						
29	(52) Locomotives						
30	(53) Freight-train cars						
31	(54) Passenger-train cars						
32	(55) Highway revenue equipment						
33	(56) Floating equipment						
34	(57) Work equipment						
35	(58) Miscellaneous equipment						
36	Total equipment						
37	GRAND TOTAL	None					None

211G. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization reserve is provided in account No. 736, "Accrued amortization of defense projects—Road and Equipment" of the respondent. If the amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the

year and all credits and debits during the year in reserve account No. 736, "Accrued amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000 or more, or by single entries as "Total road" in line 22. If reported by projects, each project should be briefly described, stating

kind, location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained. (Dollars in thousands)

Line No.	Description of property or account (a)	BASE				RESERVE			
		Debits during year (b)	Credits during year (c)	Adjustments (d)	Balance at close of year (e)	Credits during year (f)	Debits during year (g)	Adjustments (h)	Balance at close of year (i)
1	ROAD: Certificate Numbers	\$	\$	\$	\$	\$	\$	\$	\$
2	KCS Ry. Leesville								
3	Yard Tracks WD-29641				19				19
4									
5	Block Signal NC-416				104				104
6									
7	Centralized Traffic Control				282				282
8									
9									
10	11 Passing Tracks				38				38
11									
12	Minor Items, each less than \$100,000				106				106
13									
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD				549				549
22	EQUIPMENT:								
23	(52) Locomotives								
24	(53) Freight-train cars				3				3
25	(54) Passenger-train cars								
26	(55) Highway revenue equipment								
27	(56) Floating equipment								
28	(57) Work equipment								
29	(58) Miscellaneous equipment								
30	TOTAL EQUIPMENT				3				3
31	GRAND TOTAL				552				552

NOTES AND REMARKS

2111. UNIT COST OF EQUIPMENT INSTALLED DURING THE YEAR

1. Give particulars as requested, separately, for the various classes of new units and rebuilt units of equipment installed by respondent during the year. If information regarding the cost of any units installed is not complete at time of filing of report, the units should be omitted, but reference to the number of units omitted should be given in a footnote, the details as to cost to be given in the report of the following year. The cost of units under construction at the close of the year should not be reflected in this schedule even though part of the cost appears in the property account for the year. Indicate in column (e) whether an installation represents equipment purchased, (P); built or rebuilt by contract in outside railroad shops, (C); or built or rebuilt in company or system shops, (S).

2. In column (a) list each class or type of locomotive unit, car, or TOFC/COFC equipment on a separate line. By class is meant the standard classification used to distinguish types of locomotive units, freight cars or other equipment, adopted by the Association of American Railroads; and should include physical characteristics requested by Schedule 417: locomotive units should be identified as to power source, wheel arrangement, and horsepower per unit; such as Multiple purpose diesel locomotive A units (P-B), 2500 HP; and cars should be identified as to

special construction or service characteristics such as Aluminum covered hopper cars, LO; Steel boxcars—special service, XAP, etc.; for TOFC/COFC show type of equipment as enumerated in Schedule 417, lines 74-84 and type of construction.

3. In column (c) show the total weight in tons of 2,000 pounds. The weight of the equipment acquired should be the weight empty.

4. The cost should be the complete cost as entered on the ledger, including foreign line freight charges and handling charges.

5. Data for this schedule, should be confined to the units reportable in columns (c), (e), (p), and (r) of schedule 417 showing returns for new units in the upper section of this schedule and showing returns for rebuilt units acquired and rebuilt units rewritten into respondent's property investment account in the lower section. The term "new" as used herein shall refer to and mean a unit or units placed in service for the first time on any railroad.

6. All unequipped box cars acquired in whole or in part with incentive per diem funds should be reported on separate lines and appropriately identified by footnote or sub-heading.

(Dollars in thousands)

NEW UNITS

Line No.	Class of equipment (a)	Number of units (b)	Total weight (tons) (c)	Total cost (d)	Method of acquisition (see instructions) (e)
				\$	
1	Account 52 - Locomotives				
2					
3	EMD 2,000 HP GP 38 Road Locomotives	10	1 940	2,812	P
4					
5	EMD 3,000 HP SD 40 Road Locomotives	10	1 330	3,758	P
6		20	3 270	6,570	
7					
8					
9					
10	Account 53 - Freight Train Cars				
11					
12	100 Ton, roller bearing 26,800 gallon tank				
13	cars from ACF Industries, Car Type Code T107	10	330	197	P
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25	TOTAL	30	X X X X	6,767	X X X X

REBUILT UNITS

1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13	TOTAL		X X X X		X X X X
14	GRAND TOTAL	30	X X X X	6,767	X X X X

211N-1 INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE (SEE INSTRUCTION 2)

1. Give particulars, as requested, of the investment in transportation property at the close of the year, as related to "Net railway operating income," of the respondent for the year.

2. The term "Investment in railway property used in transportation service" means the aggregate of property owned, and property not owned but used by the respondent, in transportation service. (a) the investment in which is represented in accounts 731 and 732 of the respondent, including operating, lessor, and inactive railroads, (b) road and equipment property leased to or from others, the rentals of which are included in accounts 509 and 542, (c) equipment owned or leased, the lease-rental from which is included in accounts 503 to 507, inclusive, of the respondent, minus (d) investment in property leased to others the lease-rental from which is included in account 509. It does not include investment of others in equipment used by the respondent, rent for which is included in accounts 536 to 540, inclusive, nor does it include investment of other carriers in property jointly used by the respondent, such as trackage rights, rent for which is included in account 541 of the respondent. In column (a), classify each company in this schedule as respondent (R), lessor railroad (L), inactive or proprietary company (P), and other leased properties (O).

3. In columns (a) to (e), inclusive, first show the data requested for the respondent (R); next the data for companies whose entire properties are used in transportation service of the respondent, divided between lessor (L) and proprietary (P) companies; followed by data for carriers and others (O), portions of whose property are used in transportation service of

the respondent. Show a total for each class of company. Then show, as deductions, data for transportation property leased to carriers and others, rentals from which are included in account 509.

4. In column (c) line-haul carriers should report the miles of road used in line-haul service, and switching and terminal companies should report the miles of all tracks owned.

5. In column (d) show the amount applicable in accounts 731 and 732 on the books of the companies whose names appear in column (b). Values of property of other carriers segregated by estimate or otherwise should correspond in amount to the deductions made by the owners in their reports. If separate value is not available, explanation should be given. Differences between the amounts in column (d) of this schedule and the amounts shown in column (c), line 33, on the asset side of the comparative general balance sheet of each individual railway should be explained in a footnote. Book value included in accounts 731 and 732 of the owner should be reported in column (d) in reference to the investment of the respondent in the securities of the owner unless a good reason can be given for the contrary. Methods of estimating (by capitalizing rentals at 6 percent or otherwise) value of property of private owners, or portions of property of other carriers, should be explained.

6. In column (e) show the amount of depreciation and amortization accrued as of the close of the year in accounts 735, 736, and 785 that is applicable to the property of the carriers whose names are listed in column (b), regardless of where the reserves therefor are recorded.

(Dollars in thousands)

Line No.	Class (See Ins. 2) (a)	Name of company (b)	Miles of road owned (See Ins. 4) (c)	Investment in property (See Ins. 5) (d)	Depreciation and amortization of defense projects (See Ins. 6) (e)
1	R	The Kansas City Southern Railway Company	846.17	\$ 191,906	\$ 41,883
2					
3					
4	R	Louisiana & Arkansas Railway Company	633.71	65,483	10,141
5	R	The Arkansas Western Railway Company	34.75	494	54
6	R	Fort Smith and Van Buren Railway (Okla.)	20.92	305	27
7				66,282	10,222
8				258,188	52,105
9					
10	P	The Maywood and Sugar Creek Railway Co.	1.54	124	28
11					
12					
13	O	Fort Smith and Van Buren Railway Co. (Ark.)		111	9
14					
15					
16					
17					
18					
19					
20		Road and Equipment Property	258,423		
21		.24 Miles of L&A Yard Tracks			
22		leased to CRIP	2		
23			258,425		
24					
25		Accrued Depreciation	52,133		
26		Accrued Depreciation Leased	9		
27			52,142		
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39		TOTAL *	1,537.09	258,423	52,142

211N-2. INVESTMENT IN RAILWAY PROPERTY USED IN TRANSPORTATION SERVICE—Continued

1. In columns (b) through (e) give, by primary accounts, the amount of investment at the close of the year in property of respondent and each group or class of companies and properties.

2. The amounts for respondent and for each group or class of companies and properties on line 53 herein should correspond with the amount for respondent and with the aggregate amounts for each class of company and properties shown in schedule 211N-1 on page 50. Continuing records shall be maintained by respondent of the primary property accounts separately for each company or property included in this schedule.

3. Report on line 35 amounts representing capitalization of rentals for leased property based on 6 percent per year where property is not classified by accounts by non-carrier owners, or where cost of property leased from other carriers is not ascertainable. Identify non-carrier owners, and briefly explain methods of estimating value of property of non-carriers or property of other carriers under "Notes and Remarks," page 48.

4. Report on line 36 amounts not includable in the accounts shown, or in line 35. The items reported should be briefly identified and explained under "Notes and Remarks," page 48. Amounts should be reported on this line only under special circumstances, usually after permission is obtained from the Commission for exceptions to prescribed accounting. Reference to such authority should be made when explaining the amounts reported. Respondents must not make arbitrary changes to the printed stub or column headings without specific authority from the Commission.

Line No.	Account (a)	Respondent KCS (b)	L&A or railroad FS VB (c) OKla.	Inactive (proprietary) companies (d)	Other leased properties (e) Ark.
		\$	\$	\$	\$
1	(1) Engineering—	1,472	611	4	5
2	(2) Land for transportation purposes—	4,212	1,573	32	12
3	(2 1/2) Other right-of-way expenditures—	115	54		
4	(3) Grading—	14,213	5,667	26	28
5	(5) Tunnels and subways—				
6	(6) Bridges, trestles, and culverts—	10,604	4,266	14	7
7	(7) Elevated structures—				
8	(8) Ties—	4,819	2,733	9	13
9	(9) Rails—	9,307	5,346	7	12
10	(10) Other track material—	7,160	4,231	5	12
11	(11) Ballast—	6,162	3,533	1	5
12	(12) Track laying and surfacing—	4,126	2,916	5	12
13	(13) Fences, snowsheds, and signs—	327	207	3	
14	(16) Station and office buildings—	3,798	3,179	3	
15	(17) Roadway buildings—	271	40		
16	(18) Water stations—	66	46		
17	(19) Fuel stations—	522	86		
18	(20) Shops and enginehouses—	5,001	1,135		
19	(21) Grain elevators—				
20	(22) Storage warehouses—				
21	(23) Wharves and docks—				
22	(24) Coal and ore wharves—				
23	(25) TOFC/COFC terminals—	185	289		
24	(26) Communication systems—	1,491	761		
25	(27) Signals and interlockers—	4,656	791	1	
26	(29) Power plants—	10	23		
27	(31) Power-transmission systems—	353	343		
28	(35) Miscellaneous structures—	176	48		
29	(37) Roadway machines—	366	289		
30	(38) Roadway small tools—	29	11		
31	(39) Public improvements—Construction—	2,095	526	14	4
32	(43) Other expenditures—Road—	25	2		
33	(44) Shop machinery—	1,385	111		
34	(45) Power-plant machinery—	112	33		
35	Leased property capitalized rentals (explain)—				
36	Other (specify & explain)—				
37	Total expenditures for road—	83,058	38,850	124	110
38	(52) Locomotives—	35,034	3,461		
39	(53) Freight-train cars—	67,899	20,782		
40	(54) Passenger-train cars—				
41	(55) Highway revenue equipment—				
42	(56) Floating equipment—				
43	(57) Work equipment—	879	272		
44	(58) Miscellaneous equipment—	29	10		
45	Total expenditures for equipment—	103,841	24,525		
46	(71) Organization expenses—	383	121		
47	(76) Interest during construction—	1,970	660		1
48	(77) Other expenditures—General—				
49	Total general expenditures—	2,353	781		1
50	Total—	189,252	64,156	124	111
51	(80) Other elements of investment—				
52	(90) Construction work in progress—	2,654	2,126		
53	Grand Total—	191,906	66,282	124	111

214. MISCELLANEOUS PHYSICAL PROPERTY

1. Give particulars of all investments of the respondent in physical property includible in account No. 737, "Miscellaneous physical property," together with the revenue, income, expenses, taxes, and depreciation data on such property, as requested.

2. Show in column (a) a description and location of the physical property, and, if operated, the kind of business in which engaged, stating whether the respondent's title is that of ownership or whether the property is held under lease or other incomplete title. All peculiarities of title should be explained. Each item of property investment amounting to \$1,000,000 or more should be separately stated and each item whose net profit or net loss for the year (as per column (d), regardless of amount of investment) is \$50,000 or more should also be separately stated. All other

items may be combined in a single entry designated "All other items."

3. If any of the individual items of property shown in column (a) were acquired in consideration of stocks, or of bonds or other evidence of debt, or in exchange for other property, enter in column (e) only the amount at which carried in respondent's books and in a footnote give a full description of the consideration actually paid. Also if the actual money cost to respondent is different from that shown in column (e), give particulars in a footnote.

4. If any property investment includible in this schedule, amounting to \$250,000 or more, was disposed of during the year, give particulars in a footnote.

Line No.	Item (Kind and location of property, and nature of business, if any) (a)	A. INVESTMENT (ACCOUNT 737)			
		Year of acquisition (b)	Charges during the year (c)	Crédits during the year (d)	Balance at close of year (See ins. 3) (e)
1	The Kansas City Southern Railway Co.		\$	\$	\$
2					
3	Missouri		59	31	955
4	Kansas			7	254
5	Oklahoma				17
6	Arkansas			15	24
7	Louisiana		147	24	2,097
8	Texas			16	1,830
9					
10	Total KCS Ry. Co.		206	93	5,177
11					
12	Louisiana & Arkansas Railway Company				234
13					
14	The Arkansas Western Railway Company				
15					
16	Fort Smith and Van Buren Railway Co.				97
17					
18					
19					
20					
21					
22	Total	x x x x	206	93	5,508

NOTES AND REMARKS

214. MISCELLANEOUS PHYSICAL PROPERTY—Continued

5. In section B include in column (f) the gross amount of revenue or income included in accounts 502 and 511; in column (g) the gross amount of expenses (including depreciation) charged to accounts 511 and 534; in column (h) the amount of taxes charged to accounts 535 and 544 for the year, and in column (i) the net profit or loss of columns (f) minus (g) and (h).

6. Any differences between the total of column (h) and the totals of accounts 535 and 544, and differences between the total of column (i) and the net total of accounts 502, 511, 534, 535, and 544, of such accounts in Schedule 300, "Income Account for the Year," should be explained in a footnote.

7. In section C give an analysis of account 738, "Accrued depreciation—Miscellaneous physical property," for each item shown in column (a). Show in column (n) the percentage or composite rate used by the respondent for computing the amount of depreciation credited to the account during the year. Any adjustments of importance included in columns (j) and (k) should be fully explained in a footnote.

8. The word "item" as herein used means a unit or composite of an investment in or operation of property such as a powerplant, a mine, an amusement park, etc., together with ancillary property or operations. (Dollars in thousands)

B. REVENUES, INCOME, EXPENSES AND TAXES CREDITED AND DEBITED TO ACCOUNTS 502, 511, 534, 535 AND 544 DURING THE YEAR				C. DEPRECIATION RESERVE (ACCOUNT 738)					
Revenues or income (f)	Expenses (g)	Taxes (h)	Net profit for year after taxes (L loss) (i)	Credits during the year (j)	Debits during the year (k)	Balance at close of year (l)	Base (m)	Rates (n)	Line No.
\$	\$	\$	\$	\$	\$	\$	\$	%	1
									2
44	80		(36)	39	(21)	191	405		3
36	10	2	24						4
1			1			1	5		5
1		1							6
149	41	6	102	31		202	817		7
98	20		78	19		251	993		8
									9
329	151	9	169	89	(21)	645	2,220	4.02	10
									11
7	4		3	4		9	212	1.90	12
									13
				None	None	None	None		14
				None	None	None	None		15
									16
									17
									18
									19
									20
									21
336	155	9	172	93	(21)	654	2,432	xxxxx	22

NOTES AND REMARKS

216. OTHER ASSETS AND DEFERRED CHARGES

Give description and particulars for each item or class of items of like description in accounts Nos. 741, "Other assets," and 743, "Other deferred charges," at the close of the year. Show debtor (or class of debtors) for deferred assets and appropriate description for items or class of items of deferred charges. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items of like description amounting to less than \$250,000 may be com-

bined into a single entry designated "Other items, each less than \$250,000". The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
			\$
1	741	Other Assets	
2		Estimate salvage on retired passenger equipment	8
3		Estimate salvage on retired freight cars	6
4		Estimate salvage - road property	72
5		Port Arthur, Texas dock damage	10
6		Cost to construct track warehouse, Kenner, La.	2
7		Bills for collection, deferred	12
8		Other items, each less than \$250,000	2
9			
10		Total Account 741	112
11			
12			
13	743	Other Deferred Charges	
14		Agents relief claims unadjusted - overcharge	212
15		Paid claims unadjusted - overcharge	18
16		Paid claims unadjusted - loss & damage	16
17		Foreign road claims unadjusted - loss & damage	15
18		Freight charges - company material	67
19		Advance MILW - KCS Joint Agency	78
20		Ballast in suspense	120
21			
22		Personal injury claims, wreck, Shreveport, La.	40
23		Engineering charges - relocate track, New Orleans, La.	18
24			
25		Cost of improvements, additions and betterments to leased	
26		facilities of Texas and Pacific Ry. Co. pending amortization	
27		to rent accounts over contract period as shown below:	
28			
29		Improvement - T&P track, Lettsworth to New Roads, La.	1,499
30		Construct T&P tracks, Lobdell, La.	2
31		A & B relay - T&P tracks, Simmesport, La.	5
32		Improvement - T&P tracks, Morganza, La.	17
33			1,523
34		Other items, each less than \$250,000	144
35			
36		Total Account 743	2,251
37			
38			
39			
40			
41			
42			
43			
44			
45			

INSTRUCTIONS CONCERNING RETURNS TO BE MADE IN SCHEDULE 218 ON PAGES 56, 57, 58 AND 59

Give particulars of the various issues of securities in accounts Nos. 765, "Funded debt unmatured," 768, "Debt in default," 767, "Receivers' and trustees' securities," 766, "Equipment obligations," and 764, "Equipment obligations and other debt due within 1 year," at the close of the year, together with interest accrued and interest paid during the year and total amount of matured interest in default. Include receipts outstanding for funded debt with their respective issues. List entries under captions of account numbers and titles, and insert total for each account.

In column (a) show the symbol and name, and account number of each bond or other obligation according to the following designations in the numerical order given, and give a total for each such numerical alphabetical and each numerical group and for each account:

- (1) MORTGAGE BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (2) COLLATERAL TRUST BONDS:
 - (a) With fixed interest.
 - (b) With contingent interest.
- (3) UNSECURED BONDS (Debentures):
 - (a) With fixed interest.
 - (b) With contingent interest.
- (4) EQUIPMENT OBLIGATIONS:
 - (a) Equipment securities (Corporation).
 - (b) Equipment securities (Receivers' and Trustees').
 - (c) Conditional or deferred payment contracts.
- (5) MISCELLANEOUS OBLIGATIONS.
- (6) RECEIVERS' AND TRUSTEES' SECURITIES (Other than equipment obligations).
- (7) SHORT-TERM NOTES IN DEFAULT.

Columns (f), (g), (h), (i), and (j) are intended further to classify the obligations of the company and are to be answered "yes" or "no."

If an issue is a serial issue, the last date of maturity should be shown in column (c) preceded by the letter "S." If the payments required in the contracts for equipment obligations are unequal in amount (except for the last payment) or are to be made at irregular intervals, show a symbol against the entry made in column (c) opposite the name of such obligations and give particulars in a footnote.

If the issue is an income bond, the entry in column (d) should be the annual maximum rate of interest specified by the indenture. In column (k) show the approximate number of miles of road on which the mortgage is a direct first lien and in column (l) the approximate number of miles of road on which the mortgage is a direct junior lien. Do not consider any road or other property indirectly subject to either a first or junior lien through the pledge of collateral, leaseholds, or other contractual rights in making the returns required in columns (i), (j), (k), and (l).

In column (m) enter the amount of debt both nominally and actually issued up to the date of the report and not the amount authorized. In the event debt is assumed, column (m) should include the amount of debt issued by the original debtor.

No entries shall be made in this schedule with respect to issues of matured obligations nominally issued or nominally outstanding when no parts of such issues are actually outstanding.

For definitions of "nominally issued," "nominally outstanding," "actually issued," and "actually outstanding," see schedule 228.

Entries in columns (v) and (w) should include interest accrued on funded debt reacquired, matured during the year, even though no portion of the issue is outstanding at the close of the year.

In column (y) enter the total in account No. 781, "Interest in default," at the close of the year.

The grand totals of columns (n) and (r), when combined, should equal the sum of the amounts stated in short column (a₂) for accounts Nos. 764, 765, 766, 767, and 768 in schedule 200, "Comparative General Balance Sheet—Liabilities and Shareholders' Equity."

On page 59 give particulars of changes during the year in funded debt and other obligations. In column (z), state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. Also, give the number and date of authorization by the public authority under whose control such issue was made, naming such authority. For nominally issued securities, show returns in columns (z) and (aa) only.

For each class of securities actually issued or assumed, the sum of the entries in columns (bb) and (cc), plus discounts or less premiums, such discounts or premiums to be shown in a footnote applicable to each issue, should equal the entry in column (ia). For definition of expense, reportable in column (cc), see Definition 10 in the Uniform System of Accounts for Railroad Companies.

Particulars concerning the reacquirement of securities that were actually outstanding should be reported on pages 58 and 59 columns (a), (dd), and (ee). Include those securities that have been called for payment during the year for which liability has been transferred to account No. 763, "Other current liabilities."

Show dollars in thousands.

NOTES AND REMARKS

218. FUNDED DEBT AND OTHER OBLIGATIONS (Dollars in thousands)

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		DOES OBLIGATION PROVIDE FOR— (Answer "Yes" or "No")			IS OTHER PROPERTY (REAL OR PERSONAL OR LEASEHOLD) SUBJECT TO LIEN OF THE OBLIGATION? (Answer "Yes" or "No")		APPROXIMATE NUMBER OF MILES OF LINE DIRECTLY SUBJECT TO—	
				Rate percent per annum (current year)	Dates due	Con- version	Call prior to maturity other than for sinking fund	Sinking fund	First lien	Junior to first lien	First lien	Junior to first lien
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
	<u>The Kansas City Southern Railway Company</u>											
1	(1)(a) 1st Mtg Ser C Bonds	12-1-54	12-1-84	3-1/4	6/1-12/1	No	Yes	Yes	Yes		860	
2												
3	<u>Equipment Obligations - 4C Equipment Purchase Agreements</u>											
4	Chemical Bank	3-16-59	3-01-74	4-1/2	3-1	No	No	No	Yes			
5												
6	Chemical Bank	6-15-61	6-15-76	4-1/2	6/15-12/15	No	No	No	Yes			
7	Chemical Bank	6-15-61	6-15-76	4-1/2	6/15-12/15	No	No	No	Yes			
8												
9	Manufacturers Natl. Bk	6-01-62	6-15-77	4-3/8	6/15-12/15	No	No	No	Yes			
10	Manufacturers Natl. Bk	6-01-62	6-15-77	4-3/8	6/15-12/15	No	No	No	Yes			
11												
12	Chemical Bank	5-15-62	5-15-77	4-1/2	5/15-11/15	No	No	No	Yes			
13												
14	Chemical Bank	7-15-63	7-15-78	4.45	1/15-7/15	No	No	No	Yes			
15												
16	Chemical Bank	5-15-65	5-15-80	4.65	5/15-11/15	No	No	No	Yes			
17												
18	Chemical Bank	3-15-66	3-15-76	5-1/2	3/15-9/15	No	No	No	Yes			
19												
20	Chemical Bank	4-15-66	10-15-81	5-1/2	4/15-10/15	No	No	No	Yes			
21												
22	Chemical Bank	3-15-67	3-15-77	6-3/4	3/15-9/15	No	No	No	Yes			
23												
24	Chemical Bank	5-15-67	5-15-82	6-1/4	5/15-11/15	No	No	No	Yes			
25												
26	Chemical Bank	5-02-68	8-01-78	7-1/4	2/1-8/1	No	No	No	Yes			
27												
28	Chemical Bank	5-03-68	8-01-83	7	2/1-8/1	No	No	No	Yes			
29												
30	Chemical Bank	1-01-70	1-15-85	9-3/4	1/15-7/15	No	No	No	Yes			
31	(Principal starting 1-15-76)											
32	Chemical Bank	1-01-72	2-01-87	6-1/2) 7-5/8)	2/1-8/1	No	No	No	Yes			
33												
34	United Missouri Bank	5-15-72	2-02-78	6-3/4	2/2-8/2	No	No	No	Yes			
35												
36	Chemical Bank	11-1-72	11-1-87	7-1/4) 7-3/4)	5/1-11/1	No	No	No	Yes			
37												
38	United Missouri Bank	3-01-73	8-15-78	8	2/15-8/15	No	No	No	Yes			
39												
40	Chemical Bank	3-15-73	5-15-88	7-1/4) 7-3/4)	5/15-11/15	No	No	No	Yes			
41												
42	Chemical Bank	1-15-74	2-15-89	8-1/4	2/15-8/15	No	No	No	Yes			
43												
	Total KCS Ry. Co. Equipment Obligations											
44	<u>Louisiana & Arkansas Railway Company</u>											
45	Chemical Bank	5-01-64	5-01-79	4.60	5/1-11/1	No	No	No	No			
46												
47	Chemical Bank	4-01-65	4-01-75	Various	4/1-10/1	No	No	No	No			
48												
	Total L&A Ry. Co. Equipment Obligations											
	Total KCS and L&A Equipment Obligations											
50												
51												
	Grand Total									x x x	x x x	x x x

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Total amount nominally and actually issued (m)	AMOUNT NOMINALLY ISSUED AND—		Total amount actually issued (p)	AMOUNT REACQUIRED AND—		TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (n)	Canceled (o)		Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S") (q)	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (r)	Unmatured (accounts 765, 766, and 767) (s)	Unmatured (account 764) (t)	Matured and no provision made for payment (account 768) (u)	
\$ 50,000			\$ 50,000	\$ 12,570	\$ *247 P 1,195	\$ 35,988	\$ None		1
									2
									3
2,876	X		2,876	2,876	-	None	None		4
									5
527			527	527		None	None		6
2,108			2,108	1,899		33	176		7
									8
3,431			3,431	2,859		343	229		9
1,166			1,166	981		107	78		10
									11
2,130			2,130	1,704		284	142		12
									13
5,932			5,932	4,351		1,186	395		14
									15
4,350			4,350	2,610		1,450	290		16
									17
8,650			8,650	7,352		433	865		18
									19
4,440			4,440	2,368		1,776	296		20
									21
8,090			8,090	5,663		1,618	809		22
									23
4,097			4,097	1,912		1,912	273		24
									25
5,255			5,255	3,153		1,576	526		26
									27
4,413			4,413	1,765		2,354	294		28
									29
10,148			10,148	None		10,148	None		30
									31
5,151			5,151	687		4,121	343		32
									33
2,144			2,144	570		1,161	413		34
									35
3,426			3,426	457		2,741	228		36
									37
2,710			2,710	542		1,626	542		38
									39
6,055			6,055	605		5,046	404		40
									41
6,570			6,570	219		5,913	438		42
93,669			93,669	43,100		43,828	6,741		43
									44
2,844			2,844	1,896		758	190		45
									46
7,774			7,774	6,997		None	777		47
10,618			10,618	8,893		758	967		48
104,287			104,287	51,993		44,586	7,708	(46)	49
									50
154,287			154,287	64,563	1,442	80,574	7,708		51

*Held by L&A Ry. Co.

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Line No.	Name and character of obligation (List on same lines and in same order as on page 56)	AMOUNT OF INTEREST ACCRUED DURING YEAR		Amount of interest paid during year	Total amount of interest in default
		Charged to income	Charged to investment accounts		
(a)		(v)	(w)	(x)	(y)
1	The Kansas City Southern Railway Company	\$	\$	\$	\$
2	1st Mortgage Series C 3-1/4% Bonds	1,190		1,192	
3	Equipment Purchase Agreements				
4	Chemical Bank 3-16-59	1		6	
5					
6	Chemical Bank 6-15-61)				
7	Chemical Bank 6-15-61)	15		16	
8					
9	Manufacturers National Bank 6-01-62	32		33	
10	Manufacturers National Bank 6-01-62	10		11	
11					
12	Chemical Bank 5-15-62	22		23	
13					
14	Chemical Bank 7-15-63	75		83	
15					
16	Chemical Bank 5-15-65	86		87	
17					
18	Chemical Bank 3-15-66	93		107	
19					
20	Chemical Bank 4-15-66	123		126	
21					
22	Chemical Bank 3-15-67	175		191	
23					
24	Chemical Bank 5-15-67	143		145	
25					
26	Chemical Bank 5-02-68	175		190	
27					
28	Chemical Bank 5-03-68	197		206	
29					
30	Chemical Bank 1-01-70	989		989	
31					
32	Chemical Bank 1-01-72	331		340	
33					
34	United Missouri Bank 5-15-72	115		126	
35					
36	Chemical Bank 11-01-72	240		243	
37					
38	United Missouri Bank 3-01-73	190		164	
39					
40	Chemical Bank 3-15-73	434		438	
41					
42	Chemical Bank 1-15-74	490		292	
43	Total KCS Ry. Co. - Equipment	3,936		3,816	
44	Louisiana & Arkansas Railway Company				
45	Chemical Bank 5-01-64	46		48	
46					
47	Chemical Bank 4-01-65	45		54	
48	Total L&A Ry. Co. - Equipment	91		102	
49	Total KCS and L&A - Equipment	4,027		3,918	
50					
51	Grand Total	5,217		5,110	

218. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded						
SECURITIES ISSUED OR ASSUMED DURING YEAR				SECURITIES REACQUIRED DURING YEAR		Line No.
Purpose of the issue and authority (z)	Par value (aa)	Net proceeds received for issue (cash or its equivalent) (bb)	Expense of issuing securities (cc)	AMOUNT REACQUIRED		
				Par value (dd)	Purchase price (ee)	
1st Mortgage Bonds		Acquired by Company Sinking Fund		\$ 1,195,918	\$ 722,600	1
	\$	\$	\$			2
Contract	Date					3
21691	3-16-59			132	132	4
						5
22450	6-15-61)					6
22450	6-15-61)			176	176	7
						8
22725	6-01-62			229	229	9
22750	6-01-62			77	77	10
						11
22675	5-15-62			142	142	12
						13
22971-2-3	7-15-63			396	396	14
						15
23724	5-15-65			290	290	16
						17
24025	3-15-66			865	865	18
						19
24026	4-15-66			296	296	20
						21
24337	3-15-67			809	809	22
						23
24384	5-15-67			273	273	24
						25
24723	5-02-68			526	526	26
						27
24724	5-03-68			294	294	28
						29
25092	1-01-70			None	None	30
						31
25650	1-01-72			343	343	32
						33
25734	5-15-72			386	386	34
						35
25820	11-01-72			228	228	36
						37
25908	3-01-73			542	542	38
						39
25944	3-15-73			404	404	40
						41
26120	1-15-74	6,570	6,570	36	219	42
		6,570	6,570	36	6,627	43
						44
8761	5-01-64				190	45
						46
8923	4-01-65				777	47
					967	48
		6,570	6,570	36	7,594	49
						50
C and Total		6,570	6,570	36	9,707	51

219. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in schedule 218, "Funded Debt and Other Obligations" (accounts Nos. 764, "Equipment obligations and other debt due within 1 year" and 766, "Equipment obligations") at the close of the year. In column (a) show the name by which the equipment obligation is designated and in column (b) show the classes of equipment and the number of units cov-

ered by the obligation. In column (c) show the contract price to the original debtor; in column (d) show the cash paid on acceptance of equipment by the original debtor; do not report the price paid on a subsequent sale and assumption of balance of debt.

(Dollars in thousands)

Line No.	Designation of equipment obligation (List names in the same order as in schedule 218)	Description of equipment covered	Contract price of equipment acquired	Cash paid on acceptance of equipment
	(a)	(b)	(c)	(d)
1			\$	\$
2	<u>The Kansas City Southern Railway Company</u>			
3				
4	Chemical 3-16-59	250 Cars and 3 Locomotives	2,876 X	None
5				
6	Chemical 6-15-61	200 Cars	2,643	8
7				
8				
9	Manufacturers 6-01-62	250 Cars	3,454	23
10	Manufacturers 6-01-62	100 Cars	1,198	32
11				
12	Chemical 5-15-62	10 Locomotives	2,137	7
13				
14	Chemical 7-15-63	210 Cars and 10 Locomotives	5,932	None
15				
16	Chemical 5-15-65	117 Cars and 16 Passenger Cars	4,350	None
17				
18	Chemical 3-15-66	730 Cars	8,650	None
19				
20	Chemical 4-15-66	18 Locomotives	4,466	26
21				
22	Chemical 3-15-67	691 Cars	8,091	1
23				
24	Chemical 3-15-67	250 Cars	4,097	None
25				
26	Chemical 5-02-68	462 Cars	5,256	1
27				
28	Chemical 5-03-68	22 Locomotives	4,413	None
29				
30	Chemical 1-01-70	500 Cars	10,148	None
31				
32	Chemical 1-01-72	20 Locomotives	5,151	None
33				
34	United Mo. 5-15-72	311 Cars	2,144	None
35				
36	Chemical 11-01-72	10 Locomotives	3,426	None
37				
38	United Mo. 3-01-73	330 Cars	2,803	93
39				
40	Chemical 3-15-73	300 Cars	6,055	None
41				
42	Chemical 1-15-74	20 Locomotives	6,570	None
43				
44	<u>Louisiana & Arkansas Railway Company</u>			
45				
46	Chemical 5-01-64	180 Cars	2,854	10
47				
48	Chemical 4-01-65	685 Cars	7,774	None
49				
50			10,411	10,612

220. INTEREST ON INCOME BONDS

1. Give particulars concerning interest payable, accrued, paid, and accumulated and unpaid on the securities having contingent interest provisions classified as (1) Mortgage Bonds, (2) Collateral Trust Bonds, and (3) Unsecured Bonds (Debentures), in schedule 218, "Funded Debt and Other Obligations."

2. In columns (a), (b), and (c) state the name, amount, and nominal rate of interest shown in columns (a), (v), and (d), respectively, in schedule 218, for each security of the kind indicated. List the names of such securities in the same order as in schedule 218.

3. In column (d) show the amount of interest payable for the year at the nominal rate, if earned, on all of the bonds outstanding at the close of the year plus those retired during the year.

4. In column (e) show the amount of interest charged to the income account for the year.

5. In column (f) show the difference between columns (d) and (e).

6. In columns (h), (i), and (j) show the amounts of interest actually paid during the year, segregated in columns (h) and (i) between payments applicable to the current year's accruals, and those applicable to past accruals.

7. In column (k) enter the maximum accumulation of unpaid interest as provided for in the bonds.

8. In column (l) show the sum of unearned interest accumulated under the provisions of the security plus the earned interest unpaid at the close of the year.

9. In the second section of this schedule show the particulars of the several items on the same line and in the same order as in the first section.

(Dollars in thousands)

Line No.	Name of issue (from schedule 218) (a)	Amount actually outstanding (from schedule 218) (b)	Nominal rate of interest (from schedule 218) (c)	AMOUNT OF INTEREST	
				Maximum amount payable, if earned (d)	Amount actually payable under contingent interest provisions, charged to income for the year (e)
1		\$		\$	\$
2					
3					
4					
5	NONE				
6					
7					
8					
9					
10					

AMOUNT OF INTEREST—Concluded

Line No.	DIFFERENCE BETWEEN MAXIMUM PAYABLE IF EARNED AND AMOUNT ACTUALLY PAYABLE		TOTAL PAID WITHIN YEAR			Maximum period or percentage, for which cumulative, if any (k)	Total accumulated unearned interest plus earned interest unpaid at the close of year (l)
	Current year (f)	All years to date (g)	On account of current year (h)	On account of prior years (i)	Total (j)		
1	\$	\$	\$	\$	\$		\$
2							
3							
4							
5							
6							
7							
8							
9							
10							

222. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of amounts payable by the respondent to affiliated companies, as defined in connection with account No. 769, "Amounts payable to affiliated companies," in the Uniform System of Accounts for Railroad Companies. If any such amounts are evidenced by notes, each note should be separately shown in column (a). Entries in columns (e) and

(f) should include interest accruals and interest payments on debt retired during the year, even though no portion of the debt remained outstanding at the close of the year. Show, also, in a footnote, particulars of interest charged to cost of property.
(Dollars in thousands)

Line No.	Name of creditor company (a)	Rate of interest (b)	Balance at beginning of year (c)	Balance at close of year (d)	Interest accrued during year (e)	Interest paid during year (f)
		%	\$	\$	\$	\$
1						
2	The Kansas and Missouri					
3	Railway and Terminal Co.	None	None	156	None	None
4						
5						
6						
7						
8						
9						
10	TOTAL		None	156	None	None

NOTES AND REMARKS

223. ITEMS IN SELECTED CURRENT LIABILITY ACCOUNTS

Give description and particulars for each item or class of items of like description in accounts Nos. 751, "Loans and notes payable"; 759, "Accrued accounts payable"; and 763, "Other current liabilities," at the close of the year. Show character of loans and notes, with name of creditor (or class of creditors), dates of issue and maturity, and appropriate description for each class of accrued accounts payable and for the other current liabilities. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items

of like description amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
	751	Loans And Notes Payable	\$ None
	759	Accrued Accounts Payable	
1			
2			
3			
4			
5		Vacation earned in 1974 payable in 1975	2,367
6		Accruals - Per diem due foreign lines	1,000
7		Accruals - Car repairs	69
8		Rental of Equipment - Edgartown Car Corp.	484
9		Rental of Equipment - Woodland Car Corp.	94
10		Rental of Equipment - Vineyard Car Corp.	14
11		Rental of Equipment - Mellon National Bank	49
12		Casualty Claims	509
13		Loss and Damage Claims	353
14		Operating Expense Due Milwaukee - KCS Joint Agency	560
15		Reserve for damage to foreign line equipment	1,424
16		Reserve - Overcharge claims	235
17		Switching Cars - Dallas, Texas	304
18		Estimated joint facility expense due other railroads	493
19		Other items, each less than \$250,000	682
20			
21		Total Account 759	8,637
22			
23		Account NO. 763 Other Current Liabilities	
24			
25		Prepaid in transit and unadjusted charges	505.6
26		Estimated unadjusted prepaid charges	(523)
27		Other items, each less than \$250,000	41
28		Total account 763	452.4
29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

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KANSAS CITY SOUTHERN RY. CO.

224. FEDERAL INCOME AND OTHER TAXES ACCRUED

Give the particulars called for with respect to the balances at close of year in accounts Nos. 760, "Federal income taxes accrued" and 761, "Other taxes accrued." (Dollars in thousands)

Line No.	Kind of tax (a)	Previous years (b)	Current year (c)	Balance at close of year (d)
1	Federal income taxes _____ Total (account 760)	\$ 164	\$ (322)	\$ (158)
2	Railway property State and local taxes (532) _____		983	983
3	Old-age retirement (532) _____		513	513
4	Unemployment insurance (532) _____		142	142
5	Miscellaneous operating property (535) _____			
6	Miscellaneous tax accruals (544) _____			
7	All other taxes _____			
8	Total (account 761)		1,638	1,638

NOTES AND REMARKS

225. ITEMS IN SELECTED RESERVE AND OTHER LIABILITY ACCOUNTS

Give description and particulars for each item or class of items of like description in accounts Nos. 771, "Pension and welfare reserves"; 772, "Insurance reserves"; 774, "Casualty and other reserves"; 782, "Other liabilities"; and 784, "Other deferred credits," at the close of the year. Show creditor (or class of creditors) for deferred liabilities, and appropriate description of each class of operating reserve and for items of deferred credits. Show the three largest items regardless of the dollar amount and all other items (or the aggregate of a class of items of like description) amounting to \$250,000 or more. Each item or class of items

of like description amounting to less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the account number and the total for each account shall be shown corresponding to the amounts in Schedule 200. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote.

(Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Amount (c)
1	771	Pension And Welfare Reserves	\$ None
2			
3	772	Insurance Reserve	None
4			
5	774	Casualty and Other Reserves	
6			
7		Casualty Reserve	1,031
8		Livestock Reserve	27
9		Property Reserve	46
10		Loss And Damage Claims	530
11		Foreign Line Equipment Reserve	696
12		Overcharge Claims	134
13		Total Account 774	2,464
14			
15			
16	782	Other Liabilities	
17			
18		Deposits On Industrial Tracks	175
19		Depreciation On Property Retired	94
20		Construction Percentages Retained	17
21		Total Account 782	286
22			
23			
24	784	Other Deferred Credits	
25			
26		Passenger Train Operation Loss	334
27		Prepaid Rents	19
28		Property Abandoned	164
29		Amount Received From Kaw Valley Drainage Dist.	118
30		Sale of Cars and Scrap	87
31		Deposits for Road Crossing and Construction Of Tracks	95
32		Estimate Cost Of Ballast Applied	144
33		Estimate Repairs To Mississippi River Bridge	105
34		Other items, each less than \$250,000	53
35		Total Account 784	1,119
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

NOTES AND REMARKS

228. CAPITAL STOCK

Give particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.

In the second section list particulars of the various issues on the same lines and in the same order as in the first section.

Identify the entries in columns (m) to (s), inclusive, in a manner which will indicate whether par value or the number of shares is shown.

In stating the date of an authorization the date of the latest assent or ratification necessary to its validity should be shown; e. g., in case an authorization is required to be ratified by stockholders after action by the board of directors, but is not required to be approved by any State or other governmental board or officer, give the date of approval by stockholders; if the assent of

a State railroad commission or other public board or officer is necessary, give the date of such assent, or if subsequent to such assent notice has to be filed with a secretary of state or other public officer and a tax or other fee has to be paid as a *condition precedent* to the validity of the issue, give the date of such payment. In case some *condition precedent* has to be complied with after the approval and ratification of the stockholders has been obtained, state, in a footnote, the particulars of such condition and of the respondent's compliance therewith.

For the purposes of this report, capital stock and other securities are considered to be *nominally issued* when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be *actually is-*

sued when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. If reacquired by or for the respondent under such circumstances as require them to be considered as held alive, and not canceled or retired, they are considered to be *nominally outstanding*.

Column (d) refers to the initial preference dividend payable before any common dividend; columns (k) and (l) to participations in excess of initial preference dividend; at a specified percentage or amount (nonpar stock) (column(k)) or a percentage or proportion of the profits (column (l)).

(Dollars in thousands)

Line No.	Class of stock	Date issue was authorized	Par value per share (if non-par, so state)	PREFERRED STOCK								
				Dividend rate specified in contract	Total amount of accumulated dividends	Cumulative		Noncumulative ("Yes" or "No")	Other Provisions of Contract			
						To extent earned ("Yes" or "No")	Fixed \$ rate or percent specified by contract		Convertible ("Yes" or "No")	Callable or redeemable ("Yes" or "No")	Participating Dividends	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Common	5-22-39	\$		\$							
2		4-11-53	Non-Par	x x x x x	x x x x x x	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x
3				x x x x x	x x x x x x	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x
4				x x x x x	x x x x x x	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x
5	Preferred	3-19-	50	None	None	No	None	Yes	No	No	None	None
6		1900										
7												
8	Debenture											
9	Receipts outstanding for installments paid*											
10	TOTAL	x x x x	x x x x	x x x x x	None	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x

Line No.	PAR VALUE OF PAR-VALUE STOCK OR NUMBER OF SHARES OF NONPAR STOCK							STOCK ACTUALLY OUTSTANDING AT CLOSE		
	Authorized	Authenticated	Nominally Issued and		Actually issued	Reacquired and		Number of shares	Par value of par-value stock	Book value of stock without par value
			Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P")	Canceled		Canceled	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P")			
	(m)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)
1	SH 1,260,000	SH 1,260,000	None	None	SH 1,020,000	None	SH 802	987,570	\$	\$ 34,853
2						Held by L&A	SH 31,628			
3										
4										
5	\$ 21,000	\$ 21,000	None	None	\$ 21,000	Held by L&A	SH 6,385	413,615	20,681	
6										
7										
8										
9										
10	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	1,401,185	20,681	34,853

*State the class of capital stock covered by the receipts.

229. CAPITAL STOCK CHANGES DURING THE YEAR

Give full particulars of stocks actually or nominally issued (either original issues or reissues) and of stocks reacquired or canceled during the year.

In the second section of the schedule show the particulars of the several issues on the same lines and in the same order as in the first section.

In column (c) state whether issued for construction of new properties, for additions and betterments, for purchase of railroad or other property, for conversion, for acquisition of securities, for reorganization, or for other corporate purposes. If an issue of securities was authorized for more than one purpose, state amount applicable to each purpose. Also give the number and date of the authorization by the public authority

under whose control such issue was made, naming such authority. In column (e) include as cash all money, checks, drafts, bills of exchange and other commercial paper payable at par on demand. For nominally issued stock, show returns in columns (a), (b), (c), and (d) only. For each class of stock actually issued, the sum of the entries in columns (e), (f), and (h), plus discounts or less premiums in column (g), should equal the total par value or the book value represented by the total number of shares reported in column (d).

Particulars concerning the reacquirement of stock that was actually outstanding should be given in columns (a), (i), and (j).
(Dollars in thousands)

Line No.	Class of stock (a)	STOCKS ISSUED DURING YEAR			
		Date of issue (b)	Purpose of the issue and authority (c)	Par value (for nonpar stock show the number of shares) (d)	Net proceeds received for issue (cash or its equivalent) (e)
1				\$	\$
2					
3					
4					
5					
6					
7			N O N E		
8					
9					
10					
11					
12					
13					
14					
15			Total		

STOCKS ISSUED DURING YEAR—Concluded				STOCKS REACQUIRED DURING YEAR		
Line No.	Cash value of other property acquired or services received as consideration for issue (f)	Net total discounts (in black) or premiums (in red). Excludes entries in column (h) (g)	Expense of issuing capital stock (h)	Par value (For nonpar stock show the number of shares) (i)	Purchase price (j)	Remarks (k)
	\$	\$	\$	\$	\$	
1						
2						
3						
4						
5						
6						
7				N O N E		
8						
9						
10						
11						
12						
13						
14						
15						

230. STOCK LIABILITY FOR CONVERSION OF SECURITIES OF OTHER COMPANIES

If at the close of the year respondent was subject to any liability to issue its own capital stock in exchange for outstanding securities of constituent of other companies, give full particulars thereof hereunder, includ-

ing names of parties to contracts and abstracts of terms of contracts whereunder such liability exists.

231. CAPITAL SURPLUS

Give an analysis in the form called for below of capital surplus accounts. In column (a) give a brief description of the item added or deducted and in column (b) insert the contra account number to which the amount stated in column (c), (d) or (e) was charged or credited. (Dollars in thousands)

Line No.	Item (a)	Contra account number (b)	ACCOUNT NO.		
			794. Premiums and Assessments on Capital Stock (c)	795. Paid-In Surplus (d)	796. Other Capital Surplus (e)
			\$	\$	\$
				267	5,046
1	Balance at beginning of year	x x x			
	Additions during the year (describe):				
2					
3					
4					
5	Total additions during the year	x x x			
6	Deductions during the year (describe):				319
7	Intercompany items in preparation of				
8	consolidated balance sheet				319
9	Total deductions	x x x		267	4,727
10		x x x			
11	Balance at close of year				

232. RETAINED INCOME—APPROPRIATED

Give an analysis in the form called for below of account No. 797, "Retained income—Appropriated." (Dollars in thousands)

Line No.	Class of appropriation (a)	Credits during year (b)	Debits during year (c)	Balance at close of year (d)
		\$	\$	\$
1	Additions to property through retained income	600	600	600
2	Funded debt retired through retained income			
3	Sinking fund reserves			
4	Incentive per diem funds			
5	Miscellaneous fund reserves			
6	Retained income—Appropriated not specifically invested			
	Other appropriations (specify):			
7				
8				
9				
10				
11				
12				
13				
14				
15	TOTAL	600	600	600
16				

233. CONTINGENT ASSETS AND LIABILITIES

1. Give particulars with respect to contingent assets and liabilities at the close of the year, in accordance with Instruction 6—6 in the Uniform System of Accounts for Railroad Companies, that are not reflected in the accounts of the respondent. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000, or more. If an actual monetary amount is not known and an estimate of the amount of any item involved is not feasible, disclosure should be made describing the contingency and explaining why an estimate is not determinable.

Examples of contingent liabilities are items which may become obliga-

tions as a result of pending or threatened litigation, assessments or possible assessments of additional taxes and agreements or obligations to repurchase securities or property.

2. Information concerning the guaranties and suretyships are to be shown in other schedules provided for those items and not in this schedule.

3. In column (a) give a description of each item of contingent assets and liabilities under an inserted caption "CONTINGENT ASSETS" or "CONTINGENT LIABILITIES," as appropriate, and in column (b) show the amount of each item.

(Dollars in thousands)

Line No.	Item (a)	Amount (b)
		\$
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
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21	N O N E	
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47		None

234. GUARANTIES AND SURETYSHIPS

1. If the respondent was under obligation as guarantor or surety for the performance by any other corporation or other association of any agreement or obligation, show for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year, the particulars called for hereunder.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue. (Dollars in thousands)

Line No.	Names of all parties principally and primarily liable (a)	Finance Docket number, title, maturity date and concise description of agreement or obligation (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Kansas City Terminal	1st Mortgage Series Bonds 10-1-48 to		
2	Railway Company	10-1-74 with temporary financing to		
3		March 31, 1975, Finance Docket 14637		
4		The KCS Ry. Co. is guarantor of		
5		1/12th.	27,500	Joint
6				
7				
8	City of New Orleans,	Jointly and severally liable for		
9	Louisiana	principal and interest for New		
10		Orleans Union Passenger Terminal		
11		Revenue Bonds 1-1-48 to 1-1-98,		
12		Finance Docket 15920.	7,918	Joint
13				
14				
15	Trailer Train Company	Jointly and severally liable for		
16		certain conditional sale agreements		
17		of Trailer Train Co. maturing		
18		serially. Various ICC recordation		
19		numbers assigned to the conditional		
20		sale agreements.	17,882	Joint
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				

2. If any corporation or other association was under obligation as guarantor or surety for the performance by the respondent of any agreement or obligation, show for each such contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year, the particulars called for hereunder.

This inquiry does not cover the case of ordinary commercial paper maturing on demand or not later than 2 years after date of issue, nor does it include ordinary surety bonds or undertakings on appeals in court proceedings.

Line No.	Finance Docket number, title, maturity date and concise description of agreement or obligation (a)	Names of all guarantors and sureties (b)	Amount of contingent liability of guarantors (c)	Sole or joint contingent liability (d)
1			\$	
2				
3				
4				
5				
6				
7				
8				
9				

235. PROPRIETARY COMPANIES

Give particulars called for regarding inactive proprietary companies, as defined in Schedule No. 411, page 94. The separation of accounts 731 and 732 into the various subdivisions shown below should be estimated, if not

actually shown on respondent's books. Enter brief designations of the several proprietary companies at the heads of their respective columns. (Dollars in thousands)

Line No.	Item				
	Mileage owned:				
1	Road, State of _____				
2	Road, State of _____				
3	Road, State of _____				
4	Second and additional main tracks _____				
5	Passing tracks, cross-overs, and turn-outs _____				
6	Way switching tracks _____				
7	Yard switching tracks _____				
	Road and equipment property:	\$	\$	\$	\$
8	Road _____				
9	Equipment _____				
10	General expenditures _____				
11	Other property accounts* _____				
12	Total (account 731) _____				
	Improvements on leased property:				
13	Road _____				
14	Equipment _____				
15	General expenditures _____				
16	Total (account 732) _____				
17	Depreciation and amortization (accounts 735, 736, and 785) _____				
18	Capital stock (account 791) _____				
19	Funded debt unmatured (account 765) _____				
20	Debt in default (account 768) _____				
21	Amounts payable to affiliated companies (account 769) _____				
Line No.	Item	Nothing To Report			
	Mileage owned:				
1	Road, State of _____				
2	Road, State of _____				
3	Road, State of _____				
4	Second and additional main tracks _____				
5	Passing tracks, cross-overs, and turn-outs _____				
6	Way switching tracks _____				
7	Yard switching tracks _____				
	Road and equipment property:	\$	\$	\$	\$
8	Road _____				
9	Equipment _____				
10	General expenditures _____				
11	Other property accounts* _____				
12	Total (account 731) _____				
	Improvements on leased property:				
13	Road _____				
14	Equipment _____				
15	General expenditures _____				
16	Total (account 732) _____				
17	Depreciation and amortization (accounts 735, 736, and 785) _____				
18	Capital stock (account 791) _____				
19	Funded debt unmatured (account 765) _____				
20	Debt in default (account 768) _____				
21	Amounts payable to affiliated companies (account 769) _____				

*Includes account Nos. 80, "Other elements of investment," and 90, "Construction work in progress."

310. RAILWAY OPERATING REVENUES

1. State the railway operating revenues of the respondent for the year classifying them in accordance with the Uniform System of Accounts for Railroad Companies and distribute the amounts among the classes of service as indicated. In the absence of records separating revenues between freight and passenger trains, the distribution should be estimated on the basis of the best data available.

2. Assign rail-line revenues, including revenues from water transfers and highway motor vehicle operations, to "Freight service" or to "Passenger and allied services" according to the type of train (or other equipment) by which the traffic moved.

3. Incidental revenues should be assigned as provided for in the schedule.

4. Revenues which are not assignable to freight service or to passenger and allied services are includible in column (e) only in cases where the related operating expenses are reportable in column (i) of schedule No. 320. If the expenses are assigned to the classes of service mentioned, the revenues, likewise, should be distributed on an equitable basis.

5. Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.
(Dollars in thousands)

Line No.	Class of railway operating revenues (a)	Amount of revenue for the year (b)	RAIL-LINE REVENUES, INCLUDING WATER TRANSFERS		Other revenues not assignable to freight or to passenger and allied services (e)		Remarks (f)
			Assignable to freight service (c)	Assignable to passenger and allied services (d)			
	Transportation—Rail-Line						
1	(101) Freight*	123,864	123,864		XX	XX	
2	(102) Passenger*				XX	XX	
3	(103) Baggage				XX	XX	
4	(104) Sleeping car				XX	XX	
5	(105) Parlor and chair car				XX	XX	
6	(106) Mail				XX	XX	
7	(107) Express				XX	XX	
8	(108) Other passenger-train†				XX	XX	
9	(109) Milk				XX	XX	
10	(110) Switching*	4,163	4,163		XX	XX	
11	(113) Water transfers						
12	Total rail-line transportation revenue	128,027	128,027				
	Incidental						
13	(131) Dining and buffet				XX	XX	
14	(132) Hotel and restaurant						
15	(133) Station, train, and boat privileges						
16	(135) Storage—Freight			XX	XX	XX	XX
17	(137) Demurrage	3,019	3,019	XX	XX	XX	XX
18	(138) Communication						
19	(139) Grain elevator			XX	XX	XX	XX
20	(141) Power						
21	(142) Rents of buildings and other property	106	106				
22	(143) Miscellaneous	168	168				
23	Total incidental operating revenue	3,293	3,293				
	Joint Facility						
24	(151) Joint facility—Cr	868	868				
25	(152) Joint facility—Dr						
26	Total joint facility operating revenue	868	868				
27	Total railway operating revenues	132,188	132,188				

*Report hereunder the charges to these accounts representing:

a. Payments made to others for—

1. Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates: \$ 592
(a) Of the amount reported for item A.1, _____% (to nearest whole number) represents payments for collection and delivery of LCL freight either in TOFC trailers or otherwise. The percentage reported is (check one):
Actual (), Estimated ().
2. Switching services when performed in connection with line-haul transportation of freight on the basis of switching tariffs and allowances out of freight rates, including the switching of empty cars in connection with a revenue movement: \$ 2,620
3. Substitute highway motor service in lieu of line-haul rail service performed under tariffs published by rail carriers (does not include traffic moved on joint rail-motor rates):
- (a) Payments for transportation of persons: \$ None
- (b) Payments for transportation of freight shipments: \$ 365

†Governmental aid for providing passenger commuter or other passenger-train service included in account 108, as provided in item (d) of that account: \$ None

NOTE.—Gross charges for protective services to perishable freight, without deduction for any proportion thereof credited to account No. 101, "Freight" (not required from switching and terminal companies):

1. Charges for service for the protection against heat: \$ 3
2. Charges for service for the protection against cold: \$ None

320. RAILWAY OPERATING EXPENSES

State the railway operating expenses on respondent's road for the year, classifying them in accordance with the Uniform System of Accounts for Railroad Companies, and analyzing them in accordance with the Commission's rules governing the separation of operating expenses between

freight and passenger service; railroads. The returns to accounts 202-221 should be classified as provided for by instructions pertaining to those accounts in the effective rules. The designations shown in column (a) for these accounts are defined as follows:

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
	Maintenance of Way and Structures	\$
1	(201) Superintendence _____	1,495
2	(202) Roadway maintenance—Yard switching tracks _____	(52
3	Roadway maintenance—Way switching tracks _____	836 (34
4	Roadway maintenance—Running tracks _____	(750
5	(206) Tunnels and subways—Yard switching tracks _____	
6	Tunnels and subways—Way switching tracks _____	
7	Tunnels and subways—Running tracks _____	
8	(208) Bridges, trestles, and culverts—Yard switching tracks _____	(36
9	Bridges, trestles, and culverts—Way switching tracks _____	820 (35
10	Bridges, trestles, and culverts—Running tracks _____	(749
11	(210) Elevated structures—Yard switching tracks _____	
12	Elevated structures—Way switching tracks _____	
13	Elevated structures—Running tracks _____	
14	(212) Ties—Yard switching tracks _____	(203
15	Ties—Way switching tracks _____	3,902 (161
16	Ties—Running tracks _____	(3,538
17	(214) Rails—Yard switching tracks _____	(35
18	Rails—Way switching tracks _____	459 (27
19	Rails—Running tracks _____	(387
20	(216) Other track material—Yard switching tracks _____	(110
21	Other track material—Way switching tracks _____	1,068 (50
22	Other track material—Running tracks _____	(908
23	(218) Ballast—Yard switching tracks _____	(18
24	Ballast—Way switching tracks _____	296 (11
25	Ballast—Running tracks _____	(268
26	(220) Track laying and surfacing—Yard switching tracks _____	(434
27	Track laying and surfacing—Way switching tracks _____	5,485 (232
28	Track laying and surfacing—Running tracks _____	(4,819
29	(221) Fences, snowsheds, and signs—Yard switching tracks _____	(1
30	Fences, snowsheds, and signs—Way switching tracks _____	82 (4
31	Fences, snowsheds, and signs—Running tracks _____	(77
32	(227) Station and office buildings _____	127
33	(229) Roadway buildings _____	2
34	(231) Water stations _____	1
35	(233) Fuel stations _____	12
36	(235) Shops and engine houses _____	80
37	(237) Grain elevators _____	
38	(239) Storage warehouses _____	
39	(241) Wharves and docks _____	
40	(243) Coal and ore wharves _____	
41	(244) TOFC/COFC terminals _____	11
42	(247) Communication systems _____	579
43	(249) Signals and interlockers _____	1,492
44	(253) Power plants _____	
45	(257) Power-transmission systems _____	14
46	(265) Miscellaneous structures _____	1
47	(266) Road property—Depreciation (p. 82) _____	1,028
48	(267) Retirements—Road (p. 82) _____	(34)
49	(269) Roadway machines _____	755

320. RAILWAY OPERATING EXPENSES—Continued

Yard switching tracks.—Yards where separate switching services are maintained, including classification, house, team, industry, and other tracks switched by yard locomotives.

Way switching tracks.—Station, team, industry, and other switching tracks for which no separate switching service is maintained.

Running tracks.—Running tracks, passing tracks, cross-overs, etc., including turn-outs from those tracks to clearance points.

Any unusual accruals involving substantial amounts included in column (b) should be fully explained in a footnote.

(Dollars in thousands)

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS						Other expenses not related to either freight or to passenger and allied services (i)	Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)		
\$ <i>2,000</i>	\$	\$ 1,495	\$	\$	\$	\$	1
<i>house</i>		52					2
		34					3
<i>(other)</i>		750					4
							5
							6
							7
		36					8
		35					9
		749					10
							11
							12
							13
		203					14
		161					15
		3,538					16
		35					17
		27					18
		387					19
		110					20
		50					21
		908					22
		18					23
		11					24
		268					25
		434					26
		232					27
		4,819					28
		1					29
		4					30
		77					31
		127					32
		2					33
		1					34
		12					35
		80					36
							37
							38
							39
							40
		11					41
		579					42
		1,492					43
							44
		14					45
		1					46
		1,028					47
		(34)					48
		755					49

320. RAILWAY OPERATING EXPENSES--Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
	Maintenance of Way and Structures--Continued	\$
50	(270) Dismantling retired road property _____	36
51	(271) Small tools and supplies _____	648
52	(272) Removing snow, ice, and sand _____	18
53	(273) Public improvements--Maintenance _____	247
54	(274) Injuries to persons _____	134
55	(275) Insurance _____	97
56	(276) Stationery and printing _____	20
57	(277) Employees' health and welfare benefits _____	502
58	(281) Right-of-way expenses _____	134
59	(282) Other expenses _____	
60	(278) Maintaining joint tracks, yards, and other facilities--Dr _____	377
61	(279) Maintaining joint tracks, yards, and other facilities--Cr _____	327
62	Total--All road property depreciation (account 266) _____	1,028
63	Total--All other maintenance of way and structures accounts _____	19,360
64	Total maintenance of way and structures _____	20,388
	Maintenance of Equipment	
65	(301) Superintendence _____	587
66	(302) Shop machinery _____	75
67	(304) Power-plant machinery _____	
68	(305) Shop and power-plant machinery--Depreciation (p. 84) _____	60
69	(306) Dismantling retired shop and power-plant machinery _____	
70	(311) Locomotives--Repairs, Diesel locomotives--Yard _____	1,073
71	Locomotives--Repairs, Diesel locomotives--Other _____	4,383
72	Locomotives--Repairs, Other than Diesel--Yard _____	
73	Locomotives--Repairs, Other than Diesel--Other _____	
74	(314) Freight-train cars--Repairs* _____	8,398
75	(317) Passenger-train cars--Repairs _____	
76	(318) Highway revenue equipment--Repairs _____	138
77	(323) Floating equipment--Repairs _____	
78	(326) Work equipment--Repairs _____	8
79	(328) Miscellaneous equipment--Repairs _____	408
80	(329) Dismantling retired equipment _____	
81	(330) Retirements--Equipment (p. 84) _____	
82	(331) Equipment--Depreciation (p. 84) _____	5,161
83	(332) Injuries to persons _____	216
84	(333) Insurance _____	182
85	(334) Stationery and printing _____	22
86	(335) Employees' health and welfare benefits _____	489
87	(339) Other expenses _____	5
88	(336) Joint maintenance of equipment expenses--Dr _____	87
89	(337) Joint maintenance of equipment expenses--Cr _____	28
90	Total--All equipment depreciation (accounts 305 and 331) _____	5,221
91	Total--All other maintenance of equipment accounts _____	16,043
92	Total maintenance of equipment _____	21,264
93	*Includes charges for work done by others of _____	\$ 5,255
94	and credits for work charged to others in the amount of _____	\$ 2,104

326. RAILWAY OPERATING EXPENSES—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)	Other expenses not related to either freight or passenger and allied services (i)	
\$ <i>Same as (a)</i>	\$	\$ 36	\$	\$	\$	\$	50
		648					51
		18					52
		247					53
		134					54
		97					55
		20					56
		502					57
		134					58
							59
		377					60
		327					61
		1,028					62
		19,360					63
		20,388					64
		587					65
		75					66
							67
		60					68
							69
		1,073					70
		4,383					71
							72
							73
		8,398					74
							75
		138					76
							77
		8					78
		408					79
							80
							81
		5,161					82
		216					83
		182					84
		22					85
		489					86
		5					87
		87					88
		28					89
		5,221					90
		16,043					91
		21,264					92

320. RAILWAY OPERATING EXPENSES--Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
	Traffic	\$
95	(351) Superintendence	595
96	(352) Outside agencies	2,977
97	(353) Advertising*	63
98	(354) Traffic associations	276
99	(355) Fast freight lines	
100	(356) Industrial and immigration bureaus	3
101	(357) Insurance	1
102	(358) Stationery and printing	153
103	(359) Employees' health and welfare benefits	65
104	(360) Other expenses	2
105	Total traffic	4,135
	Transportation--Rail Line	
106	(371) Superintendence	1,309
107	(372) Dispatching trains	241
108	(373) Station employees	2,562
109	(374) Weighing, inspection, and demurrage bureaus	145
110	(375) Coal and ore wharves	
111	(376) Station supplies and expenses	375
112	(377) Yardmasters and yard clerks	2,161
113	(378) Yard conductors and brakemen	7,472
114	(379) Yard switch and signal tenders	83
115	(380) Yard enginemen	3,460
116	(382) Yard switching fuel	868
117	(383) Yard switching power produced	
118	(384) Yard switching power purchased	
119	(388) Servicing yard locomotives	386
120	(389) Yard supplies and expenses	450
121	(392) Train enginemen	3,657
122	(394) Train fuel	5,830
123	(395) Train power produced	
124	(396) Train power purchased	
125	(400) Servicing train locomotives	500
126	(401) Trainmen	6,107
127	(402) Train supplies and expenses**	2,241
128	(403) Operating sleeping cars	
129	(404) Signal and interlocker operation	228
130	(405) Crossing protection	11
131	(406) Drawbridge operation	100
132	(407) Communication system operation	740
133	(408) Operating floating equipment	
134	(409) Employees' health and welfare benefits	1,204
135	(410) Stationery and printing	241
136	*Value of transportation issued in exchange for advertising	None
	**Includes gross charges and credits for heater and refrigerator service as follows:	
137	Freight train cars: Refrigerator-Charges	5
138	-Credits	3
139	Heater-Charges	15
140	-Credits	1
141	TOFC trailers: Refrigerator-Charges	-
142	-Credits	-
143	Heater-Charges	-
144	-Credits	-

320. RAILWAY OPERATING EXPENSES—Continued							
RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)	Line No.
\$ <i>2000</i>	\$	\$ 595	\$	\$	\$	\$	95
<i>as</i>		2,977					96
		63					97
<i>(20)</i>		276					98
							99
		3					100
		1					101
		153					102
		65					103
		2					104
		4,135					105
		1,309					106
		241					107
		2,562					108
		145					109
							110
		375					111
		2,161					112
		7,472					113
		83					114
		3,460					115
		868					116
							117
							118
		386					119
		450					120
		3,657					121
		5,830					122
							123
							124
		500					125
		6,107					126
		2,241					127
							128
		228					129
		11					130
		100					131
		740					132
							133
		1,204					134
		241					135

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account (a)	Amount of operating expenses for the year (b)
	Transportation--Rail Line	\$
145	(411) Other expenses	48
146	(414) Insurance	658
147	(415) Clearing wrecks	1,632
148	(416) Damage to property	95
149	(417) Damage to livestock on right of way	16
150	(418) Loss and damage--Freight	3,085
151	(419) Loss and damage--Baggage	
152	(420) Injuries to persons	1,091
153	(421) TOFC/COFC terminals	218
154	(422) Other highway transportation expenses	
155	(390) Operating joint yards and terminals--Dr	1,328
156	(391) Operating joint yards and terminals--Cr	57
157	(412) Operating joint tracks and facilities--Dr	86
158	(413) Operating joint tracks and facilities--Cr	73
159	Total transportation--Rail line	48,498
	Miscellaneous Operations	
160	(441) Dining and buffet service	
161	(442) Hotels and restaurants	35
162	(443) Grain elevators	
163	(445) Producing power sold	
164	(446) Other miscellaneous operations	
165	(449) Employees' health and welfare benefits	
166	(447) Operating joint miscellaneous facilities--Dr	4
167	(448) Operating joint miscellaneous facilities--Cr	
168	Total miscellaneous operations	39
	Gen. ral	
169	(451) Salaries and expenses of general officers	1,210
170	(452) Salaries and expenses of clerks and attendants	1,715
171	(453) General office supplies and expenses	1,310
172	(454) Law expenses	898
173	(455) Insurance	5
174	(456) Employees' health and welfare benefits	124
175	(457) Pensions	116
176	(458) Stationery and printing	125
177	(460) Other expenses*	41
178	(461) General joint facilities--Dr	85
179	(462) General joint facilities--Cr	3
180	Total general expenses	5,626
181	Grand total railway operating expenses	99,950
182	Operating ratio (ratio of operating expenses to operating revenues) percent. (Two decimal places required)	75.61 %
183	Amount of employee compensation † (applicable to the current year) chargeable to operating expenses	\$ 44,381

*Give description and amount of charges to account No. 460, "Other expenses," for severance payments made to employees. This includes payments made as a result of agreements with employee organizations and awards pursuant to decisions of arbitration boards or by specific orders of this Commission or by voluntary action on the part of respondent. This also includes severance payments in cases relating to mergers and situations involving reduction in employees because of abandonment or consolidation of facilities.

Description of payments

Amount

\$

\$ None

†Includes "straight time paid for" in train and engine service, and "time actually worked and paid for at straight time rates" in other services; all overtime in train and engine service, and overtime paid for at punitive rates in other services, and "constructive allowances, including vacations and holidays" in train and engine service and "vacations, holidays, and other allowances" in other services. (Compensation chargeable to operating expenses applicable to prior years, which was paid or is payable under labor awards of the current year or for other reasons, should be shown in Schedule 561C and not included in this return.)

320. RAILWAY OPERATING EXPENSES—Concluded

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS						Other expenses not related to either freight or to passenger and allied services (i)	Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)		
\$	\$	\$	\$	\$	\$	\$	
2000		48					145
62		658					146
		1,632					147
(20)		95					148
		16					149
		3,085					150
							151
		1,091					152
		218					153
							154
		1,328					155
		57					156
		86					157
		73					158
		48,498					159
							160
		35					161
							162
							163
							164
							165
		4					166
							167
		39					168
							169
		1,210					170
		1,715					171
		1,310					172
		898					173
		5					174
		124					175
		116					176
		125					177
		41					178
		85					179
		3					180
		5,626					181
		99,950					

322. ROAD PROPERTY—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 266, "Road property—Depreciation," for the year.

Line No.	Subaccount (Dollars in thousands)		Amount of operating expenses for the year
	(a)	(b)	
		\$	
1	(1) Engineering _____		15
2	(2 1/2) Other right-of-way expenditures _____		4
3	(3) Grading _____		42
4	(5) Tunnels and subways _____		
5	(6) Bridges, trestles, and culverts _____		269
6	(7) Elevated structures _____		
7	(13) Fences, snowsheds, and signs _____		7
8	(16) Station and office buildings _____		139
9	(17) Roadway buildings _____		7
10	(18) Water stations _____		3
11	(19) Fuel stations _____		15
12	(20) Shops and enginehouses _____		120
13	(21) Grain elevators _____		
14	(22) Storage warehouses _____		
15	(23) Wharves and docks _____		
16	(24) Coal and ore wharves _____		
17	(25) TOFC/COFC terminals _____		19
18	(26) Communication systems _____		97
19	(27) Signals and interlockers _____		195
20	(29) Power plants _____		
21	(31) Power _____		25
22	(35) Miscellaneous structures _____		8
23	(37) Roadway machines _____		
24	(39) Public improvements—Construction _____		63
25	All other road accounts _____		
26	Total (account 266)		1,028

324. RETIREMENTS—ROAD

Give the particulars called for with respect to the amount included in account 267, "Retirements—Road," for the year.

Line No.	Subaccount (Dollars in thousands)		Amount of operating expenses for the year
	(a)	(b)	
		\$	
1	(1) Engineering _____		
2	(2 1/2) Other right-of-way expenditures _____		
3	(3) Grading _____		
4	(5) Tunnels and subways _____		
5	(8) Ties _____	(2)	
6	(9) Rails _____	(14)	
7	(10) Other track material _____	(28)	
8	(11) Ballast _____	10	
9	(12) Track laying and surfacing _____	(2)	
10	(38) Roadway small tools _____		
11	(39) Public improvements—Construction _____		
12	(43) Other expenditures—Road _____		
13	(76) Interest during construction _____	2	
14	(77) Other expenditures—General _____		
15	(80) Other elements of investment _____		
16	All other road accounts _____		
17	Total (account 267)	(34)	

322. ROAD PROPERTY—DEPRECIATION

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							Line No.
Expenses related solely to freight service	Common expenses apportioned to freight service	Total freight expense	Related solely to passenger and allied services	Common expenses apportioned to passenger and allied services	Total passenger expense	Other expenses not related to either freight or to passenger and allied services	
(c)	(d)	(e)	(f)	(g)	(h)	(i)	
\$ <i>same</i>	\$	\$ 15	\$	\$	\$	\$	1
		4					2
		42					3
<i>(2)</i>							4
		269					5
		7					6
		139					7
		7					8
		3					9
		15					10
		120					11
							12
							13
							14
							15
		19					16
		97					17
		195					18
							19
		25					20
		8					21
							22
		63					23
							24
							25
		1,028					26

324. RETIREMENTS—ROAD

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							Line No.
Expenses related solely to freight service	Common expenses apportioned to freight service	Total freight expense	Related solely to passenger and allied services	Common expenses apportioned to passenger and allied services	Total passenger expense	Other expenses not related to either freight or to passenger and allied services	
(c)	(d)	(e)	(f)	(g)	(h)	(i)	
\$	\$	\$	\$	\$	\$	\$	1
							2
							3
							4
<i>same</i>		(2)					5
<i>as</i>		(14)					6
<i>(2)</i>		(28)					7
		10					8
		(2)					9
							10
							11
							12
		2					13
							14
							15
							16
		(34)					17

326. SHOP AND POWER-PLANT MACHINERY—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 305, "Shop and power-plant machinery—Depreciation," for the year.

Line No.	Subaccount (a)	(Dollars in thousands)	Amount of operating expenses for the year (b)
			\$
1	(44) Shop machinery _____		56
2	(45) Power-plant machinery _____		4
3	Total (account 305) _____		60

328. RETIREMENTS—EQUIPMENT

Give the particulars called for with respect to the amount included in account 330, "Retirements—Equipment," for the year.

Line No.	Subaccount (a)	(Dollars in thousands)	Amount of operating expenses for the year (b)
			\$
1	(52) Locomotives _____		
2	(53) Freight-train cars _____		
3	(54) Passenger-train cars _____		
4	(55) Highway revenue equipment _____		
5	(56) Floating equipment _____		
6	(57) Work equipment _____		
7	(58) Miscellaneous equipment _____		
8	(76) Interest during construction _____		
9	(77) Other expenditures—General _____		
10	(80) Other elements of investment _____		
11	Total (account 330) _____		None

330. EQUIPMENT—DEPRECIATION

Give the particulars called for with respect to the amount charged to account 331, "Equipment—Depreciation," for the year.

Line No.	Subaccount (a)	(Dollars in thousands)	Amount of operating expenses for the year (b)
			\$
1	(52) Locomotives-Yard _____		292
2	(52) Locomotives-Other _____		1,131
3	(53) Freight-train cars _____		3,626
4	(54) Passenger-train cars _____		
5	(55) Highway revenue equipment _____		
6	(56) Floating equipment _____		
7	(57) Work equipment _____		105
8	(58) Miscellaneous equipment _____		7
9	Total (account 331) _____		5,161

326. SHOP AND POWER-PLANT MACHINERY—DEPRECIATION—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)	
\$ <i>None</i>	\$	\$ 56	\$	\$	\$	\$	1
<i>aa</i>		4					2
<i>(12)</i>		60					3

328. RETIREMENTS-EQUIPMENT—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)	
\$	\$	\$	\$	\$	\$	\$	1
							2
							3
							4
							5
							6
							7
							8
							9
							10
		None					11

330. EQUIPMENT-DEPRECIATION—Continued

RAIL-LINE EXPENSES, INCLUDING WATER TRANSFERS							Line No.
Expenses related solely to freight service (c)	Common expenses apportioned to freight service (d)	Total freight expense (e)	Related solely to passenger and allied services (f)	Common expenses apportioned to passenger and allied services (g)	Total passenger expense (h)	Other expenses not related to either freight or to passenger and allied services (i)	
\$ <i>None</i>	\$	\$ 292	\$	\$	\$	\$	1
<i>aa</i>		1,131					2
<i>(12)</i>		3,626					3
							4
							5
							6
		105					7
		7					8
		5,161					9

350. RAILWAY TAX ACCRUALS

1. In Sections A and B show the particulars called for with respect to net accruals of taxes on railroad property, and U.S. Government taxes charged to account 532, "Railway tax accruals" of the respondent's In-

come account for the year.

2. In Section C show an analysis and distribution of Federal income taxes. (Dollars in thousands)

A. Other than U.S. Government Taxes					
Line No.	State (a)	Amount (b)	State (a)	Amount (b)	Line No.
		\$		\$	
1	Alabama		South Dakota		41
2	Alaska		Tennessee		42
3	Arizona		Texas	297	43
4	Arkansas	354	Utah		44
5	California		Vermont		45
6	Colorado		Virginia		46
7	Connecticut		Washington		47
8	Delaware	1	West Virginia		48
9	Florida		Wisconsin		49
10	Georgia		Wyoming		50
11	Hawaii		District of Columbia		51
12	Idaho				
13	Illinois		Other		
14	Indiana		Canada		52
15	Iowa		Mexico	24	53
16	Kansas	125	Puerto Rico		54
17	Kentucky				55
18	Louisiana	1,523	Total—Other than U.S. Government Taxes	3,456	56
19	Maine				
20	Maryland		B. U.S. Government Taxes		
21	Massachusetts		Kind of tax (a)	Amount (b)	
22	Michigan			\$	
23	Minnesota				
24	Mississippi		Income taxes:		
25	Missouri	728	Normal tax and surtax	(323)	57
26	Montana		Excess profits		58
27	Nebraska		Total—Income taxes	(323)	59
28	Nevada		Old-age retirement*	6,551	60
29	New Hampshire		Unemployment insurance	630	61
30	New Jersey		All other United States Taxes		62
31	New Mexico		Total—U.S. Government taxes	6,858	63
32	New York		Grand Total—Railway Tax Accruals (account 532)	10,314	64
33	North Carolina				
34	North Dakota				
35	Ohio				
36	Oklahoma	404	*Includes taxes for hospital insurance (Medicare) and supplemental annuities as follows:		
37	Oregon				
38	Pennsylvania		Hospital insurance	\$ 309	65
39	Rhode Island		Supplemental annuities	575	66
40	South Carolina				

350. RAILWAY TAX ACCRUALS—Continued

C. Analysis of Federal Income Taxes

1. In column (a) are listed the particulars which most often cause a differential between taxable income and pretax accounting income. Other particulars which cause such a differential should be listed under the caption "Other", including State and other taxes deferred if computed separately. Minor items each less than \$100,000 may be combined in a single entry under "Other".

2. Indicate in column (b) the beginning of the year total of accounts 714, 744, 762 and 786 applicable to each particular item in column (a).

3. Indicate in column (c) the net change in accounts 714, 744, 762 and 786 for the net tax effect of timing differences originating and reversing in the current accounting period.

4. Indicate in column (d) any adjustments, as appropriate, including adjustments to eliminate or reinstate deferred tax effects (credits or debits) due to applying or recognizing a loss carry-forward or a loss carry-back.

5. The total of line 10 in columns (c) and (d) should agree with the total of the contra charges (credits) to account 533, provision for deferred taxes, and account 591, provision for deferred taxes - extraordinary and prior period items, for the current year.

6. Indicate in column (e) the cumulative total of columns (b), (c), and (d). The total of column (e) must agree with the total of accounts 714, 744, 762 and 786.

Line No.	Particulars (a)	Beginning of Year Balance (b)	Net Credits (Charges) for Current Year (c)	Adjustments (d)	End of Year Balance (e)
1	Accelerated depreciation, Sec. 167 I.R.C.: Guideline lives pursuant to Rev. Proc. 62-21	21,313	1,255		22,568
2	Accelerated amortization of facilities Sec. 168 I.R.C.	4,730	(131)		4,599
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.	3,612	747		4,359
4	Amortization of rights of way, Sec. 185 I.R.C.	16	19		35
5	Other (Specify) Reacquisition of 1st Mtge. Bonds	356	173		529
6	Claim Reserve	(999)	(53)		(1,052)
7	Provision for contingencies	321	(41)		280
8	Other	26	(1)		25
9	Investment tax credit	(3,797)	(988)		(4,785)
10	TOTALS	25,578	980		26,558

Notes and Remarks

NOTE: Tax effects of books and tax differences on depreciation and amortization of property are computed on an aggregate basis. While the details on Lines 1 through 4 are estimated, the total of such items is substantially accurate.

371. INCOME FROM LEASE OF ROAD AND EQUIPMENT

1. Give particulars called for with respect to road and equipment leased to others during the year, the rent of which is includible in account No. 509, "Income from lease of road and equipment".

2. If the respondent leased to others during all or any part of the year any road and equipment upon which no rent receivable accrued, give par-

ticulars in a footnote. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000."
(Dollars in thousands)

Line No.	Description of property (a)	Name of lessee (b)	Total rent accrued during year (account 509) (c)
1			\$
2			
3			
4			
5			
Total			None

371A. ABSTRACT OF TERMS AND CONDITIONS OF LEASES

Give brief abstracts of the terms and conditions of the leases under which the above-stated rents are derived, showing particularly (1) the date of the grant, (2) the chain of title (in case of assignment or subletting) and dates of transfer connecting the original parties with the present parties, (3) the basis on which the amount of the annual rent is determined, and (4) the date when the lease will terminate, or, if the date of termination has not yet been fixed, the provisions governing the termination of the lease. Also give reference to the Interstate Commerce Commission's authority for the lease, if any. If none, state the reasons therefor. Only

changes during the year are required.—Indicate the year in which reference was made to the original lease, and also the year or years in which any change in lease was mentioned.

Copies of leases may be filed in lieu of abstracts above called for. References to copies filed in prior years should be specific.

If the respondent has any reversionary interest in railroad property from which it derives no rent, give the particulars hereunder; if it has no such reversionary interest, state that fact.

372. MISCELLANEOUS RENT INCOME

Give particulars of rents receivable accrued for use of all properties not otherwise specified under rents receivable. This account is for rent income from property not operated by the respondent but the cost of which is properly included in cost of road and equipment. It should not be confused with operating revenue account No. 142, "Rents of buildings and other property", which is for rent revenue from operated property in road and equipment the cost of operation of which cannot be separately

stated.

Show amount of rent from three properties producing largest income regardless of amount, and all properties producing income of \$250,000, or more. Other properties whose income is less than \$250,000 may be combined into a single entry designated, "Other items, each less than \$250,000 per annum."

Line No.	Description of Property		Name of lessee (c)	Amount of rent (d)
	Name (a)	Location (b)		
1				\$
2	66 Acres Land	Port Arthur, Texas	Gulfport Shipbuilding Co.	47
3				
4	14 Acres Land	Alexandria, La.	Frost Whited Company	13
5				
6	Freight House	New Orleans, La.	J. E. Koerner Co., Inc.	22
7				
8	Other Items, each less			
9	than \$250,000			282
10				
11			Total	364

375. SEPARATELY OPERATED PROPERTIES - PROFIT OR LOSS

Give particulars of the several separately operated properties of companies having a corporate existence separate and distinct from that of the respondent, the profits or losses resulting from the operation of which are receivable or payable in whole or in part by the respondent, and for each such separately operated property state the amount of such profits or losses accrued to the respondent during the year. Show the three largest

items regardless of the dollar amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000". No dividends or other returns on securities held by or for the respondent should be shown hereunder nor any interest on construction advances or other loans. (Dollar in thousands)

Line No.	Description of property operated (a)	Location of property (b)	Name of operator (c)	ACCRUED TO RESPONDENT	
				Profit (d)	Loss (e)
				\$	\$
1					
2					
3					
4					
5	NONE				
6					
7					
8					
9					
10			Total		

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 376. HIRE OF FREIGHT CARS, PAGE 90

1. Show a recapitulation of the total amounts credited and charged during the year to hire of freight cars on account of freight cars leased, freight cars interchanged, private and individual cars, auto racks and highway trailers. The difference between the total amount receivable and the total amount payable should be entered as a balance, receivable or payable as the case may be, and should be consistent with the entry for hire of freight cars in the Income Account, schedule 300.

2. In column (b) show the total car-miles, both loaded and empty whether paid for on loaded and empty basis or loaded basis only. Car-miles, loaded and empty, reported in column (b), lines 1 through 4, relate to total car-miles incurred on lines of respondent by cars rented on a mileage basis, for which payments are reported in columns (d) and (f). Exclude from lines 1 through 4, data applicable to TOFC and COFC cars and cars rented on a combination mileage and per diem* basis. These exclusions should be reported in lines 5 and 6 through 16.

3. On line 5, column (b), enter the total miles, loaded plus empty, incurred on lines of respondent by TOFC and COFC cars for which payments are reported in columns (d) and (f). In columns (c) through (f), as applicable, enter the rentals paid for TOFC and COFC cars regardless of basis for charges.

4. On lines 6, 7, and 8 report data applicable to all cars the rentals for

which are charged only on a combination mileage and per diem* basis. Car-miles loaded and empty, reported in column (b), lines 6, 7, and 8, relate to total car-miles incurred on lines of respondent by cars rented on a combination mileage and time basis* for which payments are reported in columns (d) and (f). Exclude from lines 6, 7, and 8, data reported on lines 1 through 5 and 9 through 16.

5. On lines 9 through 14 report the per diem (time portion) charges applicable to cars rented on a combination mileage and per diem* basis for which the mileage portion was reported on lines 6, 7, and 8. Report on line 15, columns (c) and (d), the car-days paid for and for which payments were received applicable to the unequipped boxcar charges reported on lines 9 through 12. Report on line 16, columns (c) and (d), the car-days paid for and for which payments were received applicable to cars, other than unequipped box cars, for which charges are reported on line 13.

6. Amounts payable to insurance companies and to other non-carrier companies for lease rental of cars should be included on line 17, column (f). Amounts receivable from railroads or other carriers for per diem rental of these cars should be reported on lines 6 through 16, column (c).

7. Line 21 refers to the auto racks separate and apart from the cars on which the racks are installed.

*Combination mileage and per diem refers to cars moving at rates per mile and per day prescribed by the Commission in Docket No. 31358 or updated computations thereof.

376. HIRE OF FREIGHT CARS

(Dollars in thousands)

Line No.	Item (a)	Car-miles (loaded and empty) See instructions 2, 3, and 4 (b)	CARS OF RESPONDENT OR OTHER CARRIERS (Excluding cars of private car lines)		CARS OF INDIVIDUALS AND COMPANIES NOT CARRIERS (Including cars of private car lines)	
			Gross amount receivable (c)	Gross amount payable (d)	Gross amount receivable (e)	Gross amount payable (f)
	FREIGHT CARS		\$	\$	\$	\$
	Mileage Basis:					
1	Tank cars	44,062,119				2,883
2	Refrigerator cars	3,216,387		3		187
3	All other cars	18,197,136				1,139
4	Total (Lines 1-3)	65,475,642		3		4,209
5	TOFC and/or COFC Cars	7,125,679	58	37		1,132
	Combination Mileage and Per Diem Basis:					
	Mileage Portion:					
6	Unequipped box cars	41,683,926	44	958		
7	All other per diem cars	73,906,137	2,704	1,807		
8	Total (Lines 6 and 7)	115,590,063	2,748	2,765		
	Per Diem Portion:					
	Unequipped Box Cars:					
	U.S. Ownership:					
9	Basic		69	1,945		
10	Incentive		470	1,572		
	Canadian Ownership:					
11	Basic		XXXXXXXXXX	27		
12	Incentive		XXXXXXXXXX	19		
13	All Other Per Diem Cars		6,682	7,088		
14	Total Per Diem Portion (Lines 9-13)		7,221	10,651		
15	Car-days Paid For Unequipped Box Cars		37,256	744,648		
16	Car-days Paid For, All Other Per Diem Cars		1,461,302	1,719,919		
17	Leased Rental-Railroad, Insurance and Other Companies		\$ 17	\$	\$	\$ 3,053
18	Other Basis		28	8		
	OTHER FREIGHT CARRYING EQUIPMENT					
19	Refrigerated Highway Trailers			7		3
20	Other Highway Trailers		272	413		337
21	Auto Racks		137	55	5/6	315
22	GRAND TOTAL (Lines 4, 5, 8, 14, & 17-21)		10,481	13,939	576	9,049
23	NET BALANCE CARRIED TO INCOME ACCOUNT: CREDIT \$ or DEBIT \$ 11,931					

377. LOCOMOTIVE RENTALS

Give an analysis as requested of amounts credited to account 504, "Rent from locomotives," and amounts charged to account 537, "Rent for locomotives," on account of locomotives leased or otherwise rented. (Dollars in thousands)

Line No.	Item (a)	Amount receivable (b)	Amount payable (c)	Remarks (d)
	Locomotives of respondent or other carriers:	\$	\$	
1	Mileage basis _____			
2	Per diem basis _____	63		
3	Other basis _____	5		
	Locomotives of individuals and companies not carriers:			
4	Mileage basis _____			
5	Per diem basis _____			
6	Lease rental-insurance and other companies _____	72	714	
7	Other basis _____			
8	Total _____	140	714	

378. PASSENGER-TRAIN CAR RENTALS

Show a recapitulation of the total amounts credited to account 505, "Rent from passenger-train cars," and amounts charged to account 538, "Rent for passenger-train cars," on account of passenger cars leased, passenger cars interchanged, and private or individual cars. (Dollars in thousands)

Line No.	Item (a)	Amount receivable (b)	Amount payable (c)	Remarks (d)
	Cars of respondent or other carriers:	\$	\$	
1	Mileage basis _____			
2	Per diem basis _____			
3	Other basis _____			
	Cars of individuals and companies not carriers:			
4	Mileage basis _____			
5	Per diem basis _____			
6	Lease rental-insurance and other companies _____			
7	Other basis _____			
8	Total _____	None	None	

383. RENT FOR LEASED ROADS AND EQUIPMENT

1. Give particulars called for with respect to roads and equipment leased from others during the year, the rent for which is includible in account No. 542, "Rent for leased roads and equipment."

2. Rents payable which are not classifiable under one of the three headings provided should be explained in a footnote.

3. If the respondent held under lease during all or any part of the year any road upon which no rent payable accrued, or if any portion of the

charge shown hereunder is for construction on a line in which the respondent's leasehold interest will soon expire, give full particulars in a footnote.

4. Show the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." (Dollars in thousands)

Line No.	Name of lessor or reversioner and description of property (a)	Total rent accrued during year (Acct. 542) (b)	Classification of Amount Column (b)		
			Interest on bonds (c)	Dividends on stocks (d)	Cash (e)
1	Rental track from Tolmak, Inc.	\$ 204	\$	\$	\$ 204
2	Rental track from Port Beaumont	10			10
3	Rental track from Rice Garden, Inc.	3			3
4					
5	Other items, each less than				
6	\$250,000	16			16
7					
8					
9					
10	Total	233			233

383A. ABSTRACTS OF LEASEHOLD CONTRACTS

1. Give brief abstracts of the terms and conditions of the leases under which the respondent holds the properties above named, showing particularly (1) the date of the lease, (2) the chain of title and dates of transfers connecting the original lessee with the respondent in case of assignment or subletting, (3) the basis on which the amount of the annual rent is determined, and (4) the date when the lease is to terminate, or, if such date has not yet been determined, the provisions governing its determination.

Also give reference to the Interstate Commerce Commission's authority for the lease, if any. If none, state the reasons therefore. Only changes during the year are required.

2. In lieu of the abstracts here called for, the respondent may file copies of lease agreements and give specific references to copies heretofore filed with the Commission. Agreements being filed should be addressed to the Bureau of Accounts.

384. MISCELLANEOUS RENTS

Give particulars of all properties the rents on which were charged by the respondent during the year to Income, under the heading "Miscellaneous rents," showing for each item the total charge therefor to Income. Show the three largest items regardless of the dollar amount and all other

items amounting to \$250,000 or more. Each item less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." (Dollars in thousands)

Line No.	Description of Property		Name of lessor (c)	Amount charged to Income (d)
	Name (a)	Location (b)		
1	Rental of equipment at various locations,			\$
2	each minor items, less than \$250,000.		Carland, Inc.	985
3				
4	Rental track and land	Cedar Grove, Louisiana	Slack Industrial Park	18
5				
6				
7				
8				
9				
10			Total	1,003

396. ITEMS IN SELECTED INCOME AND RETAINED INCOME ACCOUNTS FOR THE YEAR

Give a brief description for all items, regardless of amount, included during the year in accounts 570, "Extraordinary items"; 580, "Prior period items"; 590, "Income taxes on extraordinary and prior period items"; 606, "Other credits to retained income"; 616, "Other debits to retained income"; 620, "Appropriations for sinking and other reserve funds"; 621, "Appropriations for other purposes"; and 622, "Appropriations released." Give a brief description of the three largest items regardless of the dollar amount and all other items amounting to \$250,000 or

more included during the year in accounts 519, "Miscellaneous income", and 551, "Miscellaneous income charges." Items less than \$250,000 may be combined into a single entry designated "Other items, each less than \$250,000." The entries for each account shall be listed and the total of each account shall be shown corresponding to the amounts in Schedules 300 and 305, as appropriate. In case the character of any item is not fully disclosed by the entries in the columns hereunder, make a full explanation in a footnote. (Dollars in thousands)

Line No.	Account No. (a)	Item (b)	Debits (c)	Credits (d)
1	519	Miscellaneous Income	\$	\$
2		Profit from sale of property		366
3		Profit from retirement of bonds		791
4		Royalties on natural resources		10
5		Other items, each less than \$250,000		78
6		Total Account 519		1,245
7				
8	551	Miscellaneous Income Charges		
9				
10		Contributions	57	
11		Penalties and Fines	31	
12		Loss on investment, KCS & GT Co.	189	
13		Reinstate interline accounts prior balance due PCT	52	
14		Loss on sale of property	91	
15		Other items, each less than \$250,000	81	
16		Total Account 551	501	
17				
18	570	Extraordinary Items	None	
19	580	Prior Period Items	None	
20	590	Federal Income Tax on Extraordinary Items		None
21	606	Other Credits to Retained Income		None
22	616	Other Debits to Retained Income	25,578	
23		Prior years deferred income taxes		
24	620	Appropriations for Sinking and Other Reserve Funds		
25		Kansas City Southern Ry. Co. Partial Retirement Of		
26		First Mortgage 3-1/4% Series C Bonds 12-1-54	600	
27	621	Appropriations For Other Purposes	None	
28	622	Appropriations Released		600
29				
30				

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED INCOME ACCOUNTS

Road Initials:

Year: 1974

KANSAS CITY SOUTHERN LINES CONSOLIDATED

95

NOTES AND REMARKS

INSTRUCTIONS CONCERNING RETURNS IN SCHEDULE 411

State particulars of all tracks operated by the respondent at the close of the year, according to the following classification:

- (1) Line owned by respondent;
- (2) Line owned by proprietary companies;
- (3) Line operated under lease for a specified sum, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;
- (4) Line operated under contract or agreement for contingent rent, owner being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;

(5) Line operated under *trackage rights*.

Give subtotals for each of the several numbered classes, in the order listed above, as well as the total for all classes.

Lengths should be stated to the nearest hundredth of a mile.

In column (a) insert the figure (and letter, if any) indicating its class in accordance with the preceding classification.

In column (b) give the various proportions of each class owned or leased by respondent, listing each proportion once in any grouping. Canadian mileage should be segregated and identified on separate lines in the various groupings. For each listing, in column (d) give its entire length (the distances between termini of single or first main track), and in the following columns the lengths of second main track; all other main tracks; passing tracks, cross-overs and turn-outs; way switching tracks; and yard switching tracks. These classes of tracks are defined as follows:

Running tracks.—Running tracks, passing tracks, cross-overs etc., including turn-outs from those tracks to clearance points.

Way switching tracks.—Station, team, industry and other switching tracks for which no separate service is maintained.

Yard switching tracks.—Yards where separate switching services are maintained, including classification, house, team, industry and other tracks switched by yard locomotives.

The returns in columns (h) and (i) should include tracks serving industries, such as mines, mills, smelters, factories, etc., not classifiable under "branch lines" as defined below. Tracks belonging to an industry for which no rent is payable should not be included.

Tracks leading to and in gravel and sand pits and quarries, the cost of which is chargeable to a clearing account and which are used in getting out material for the respondent's use, should not be included.

Class (1) includes all lines operated by the respondent at the close of the year to which it has title in perpetuity.

In classifying the line between *main* and *branch* (column (c)), use the distinction usually followed by respondent. Branch lines are distinguished from industrial tracks or yard tracks and sidings in that branch lines serve one or more stations beyond the point of junction with the main line or another branch line and to or from which stations train service, or its equivalent, is performed.

Class (2) includes each line full title to which is in an inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rest in a corporation controlled by or controlling the respondent; *but in the case of any such inclusion, the facts of the relation to the respondent of the corporation holding the securities should be fully set forth in a footnote.* An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for financial purposes is immaterial in this connection.

Class (4) is the same as class (3) except that the rent reserved is conditional upon earnings or other fact.

Class (5) includes all tracks operated and maintained by others but over which the respondent has the right to operate some or all of its trains. In the road of this class the respondent has no proprietary rights but only the rights of a licensee. Include in this class, also, all main tracks, industrial tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them but does not have exclusive possession of them.

Road held by the respondent as *joint or common owner* or a *joint lessee* or under *any joint arrangement* should be shown in its appropriate class and the entry of length should be of the entire length of the portion jointly held. The class symbol should have the letter (J) attached.

Road operated by the respondent as agent for another carrier should not be included in this schedule.

411. MILEAGE OPERATED AT CLOSE OF YEAR (For other than switching and terminal companies)

Line No.	Class	Proportion owned or leased by respondent (b)	Main (M) or branch (B) line (c)	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of way switching tracks (h)	Miles of yard switching tracks (i)	Total (j)
				Miles of road (d)	Miles of second main track (e)	Miles of all other main tracks (f)	Miles of passing tracks, cross-overs, and turn-outs (g)			
1	1	100	M	1,477.81	11.74		210.69	170.91	307.89	2,179.04
2										
3										
4	1J	50%	M	.27	4.28		11.00	1.66	61.22	78.43
5	1J	66-2/3%	M						.49	.49
6	1J	33-1/3%	M				.08		1.01	1.09
7	1J	19%	M					1.85	1.50	3.35
8	Total 1J Main		M	.27	4.28		11.08	3.51	64.22	83.36
9										
10	Total 1 & 1J Main		M	1,478.08	16.02		221.77	174.42	372.11	2,262.40
11										
12										
13	1	100	B	59.14			4.46	25.27	5.16	94.03
14										
15										
16	1J	50%	B				1.47	14.57		16.04
17	1J	33-1/3%	B				.13	1.57		1.70
18	Total 1J Branch		B				1.60	16.14		17.74
19										
20	Total 1 & 1J Branch B			59.14			6.06	41.41	5.16	111.77
21				1337.22	16.02		227.83	215.83	377.27	2374.17
22				7	6		8	6	7	4
23	3A	100	M					14.67		14.67
24										
25										
26	3A	100	B				.01	2.22		2.23
27										
28										
29	3B	100	M					3.61	4.33	7.94
30								20.50	4.33	24.83
31								1	4	5
32	5	100	M	105.86	14.65	2.15	7.07	7.48	68.77	205.98
33										
34										
35	5	100	B	28.74			2.74	1.02		32.50
36				134.60	14.65	2.15	9.81	8.50	68.77	238.40
37				5	5	2	0	8	8	8
38										
39										
40										
41										
42										
43										
44										
45										
46										
47										
48										
49										
50										
51										
52										
53										
54										
55	Total Main Line		XXX	1,583.94	30.67	2.15	228.84	200.18	445.21	2,490.99
56	Total Branch Lines		XXX	87.88			8.81	44.65	5.16	146.50
57	Grand Total		XXX	1,671.82	30.67	2.15	237.65	244.83	450.37	2,637.49
58	Miles of road or track electrified included in preceding grand total		XXX	2	1	2	8	5	0	None

411-A. MILEAGE OWNED BUT NOT OPERATED BY RESPONDENT AT CLOSE OF YEAR

If any of the tracks returned in this schedule are operated by other than the respondent, the name of the company or individual operating them and the conditions under which they are held for operation should be

shown in a footnote. Tracks which have been permanently abandoned should not be included in this schedule.

Line No.	Class	Name of road or track	Main (M) or branch (B) line	RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				Miles of way switching tracks	Miles of yard switching tracks	Total
				Miles of road	Miles of second main track	Miles of all other main tracks	Miles of passing tracks, cross-overs, and turn-outs			
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
1	1B	Rock Island and								
2		Texas & Pacific								
3		Interchange	M						.24	.24
4										
5										
6										
7										
8										
9										
10										
11										
12										
13										
14										
15		Total	XXX						.24	.24

Leased to Chicago, Rock Island and Pacific Railroad and Texas and Pacific Railroad for annual rental of 6% of investment value plus taxes.

412. MILES OF ROAD AT CLOSE OF YEAR—BY STATES AND TERRITORIES (SINGLE TRACK)
(For other than switching and terminal companies)

Give particulars, as of the close of the year, of all road operated and of all owned but not operated. The respondent's proportion of operated road held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be

shown in columns (b), (c), (e), or (f), as may be appropriate. The remainder of jointly operated mileage should be shown in column (g). Respondent's proportion of road jointly owned, not operated, should be shown in columns (i) and (j), as may be appropriate.

Tracks which have been permanently abandoned should not be included in columns (i) and (j).
Lengths should be stated to the nearest hundredth of a mile.

Line No.	State or territory (a)	ROAD OPERATED BY RESPONDENT							LINE OWNED, NOT OPERATED BY RESPONDENT		New line constructed during year (k)
		LINE OWNED		Line of proprietary companies (d)	Line operated under lease (e)	Line operated under contract, etc. (f)	Line operated under trackage rights (g)	Total mileage operated (h)	Main line (i)	Branch lines (j)	
		Main line (b)	Branch lines (c)								
1	Missouri	185.44	6 11.53	1			5.32	5 202.29	2		
2											
3	Kansas	18.39	8 6.21	6				24.60	4		
4											
5	Arkansas	225.89	6 .92	1			7.17	7 233.98	4		
6											
7	Oklahoma	158.21	8				21.57	2 179.78	0		
8											
9	Louisiana	652.31	2 22.57	3			62.79	3 737.67	8		
10											
11	Texas	237.71	8 17.91	8			37.88	8 293.50	4		
12											
13											
14											
15											
16	Total Mileage (single track)	1,477.95	8 59.14	9			134.73	5 1,671.82	2		

1,537
59.14 9
1,537.09 9

413. TRACKS OPERATED AT CLOSE OF YEAR

(For switching and terminal companies only)

Give particulars of all tracks operated by the respondent at the close of the year.

Classify the tracks, as follows:

- (1) Tracks owned by the respondent;
- (2) Tracks operated by the respondent but owned by the respondent's proprietary corporations;
- (3) Tracks operated under lease for a specified sum, lessor being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;
- (4) Tracks operated under contract or agreement, or where the rent is contingent upon earnings or other consideration, owner being (A) an affiliated corporation, or (B) independent or not affiliated with respondent;
- (5) Tracks operated under trackage rights.

Name all the tracks of each class before any of a later class, and insert in column (a) before the name of each owner the figure (and letter, if any) indicating its class in accordance with the preceding classification.

Give subtotals for each of the several numbered classes.

Class (1) includes all tracks operated by the respondent at the close of the year to which it has title in perpetuity.

Class (2) includes each line full title to which is in an inactive proprietary corporation of the respondent (i.e., one all of whose outstanding stocks or obligations are held by or for the respondent, and which is operated by the respondent or an affiliated system corporation without any accounting to the said proprietary corporation). It may also include such line when the actual title to all of the outstanding stocks or obligations rests in a corporation controlled by or controlling the respondent; but in the case of any such inclusion, the facts of the relation to the respondent of the corporation holding the securities should be fully set forth in a footnote. An inactive corporation is one which has been practically absorbed in a controlling corporation, and which neither operates property nor administers its financial affairs; if it maintains an organization it does so only for the purpose of complying with legal requirements and maintaining title to property or franchises.

Class (3) includes all tracks operated under a lease or formal conveyance of less than the grantor's interest in the property, with a specific and unconditional rent reserved. The fact that the lessor does or does not maintain an independent organization for

financial purposes is immaterial in this connection.

Class (4) is the same as class (3) except that the rent reserved is conditioned upon earnings or other fact.

Class (5) includes all tracks operated and maintained by another company but over which the respondent has the right to operate some or all of its trains. In the tracks of this class the respondent has no proprietary rights but only the rights of a licensee. Include in this class, also, all main tracks and sidings owned by noncarrier companies and individuals when the respondent operates over them but does not have exclusive possession of them.

Lengths should be stated to the nearest hundredth of a mile.

Tracks belonging to an industry for which no rent is payable should not be reported.

Tracks held by the respondent as joint or common owner or a joint lessee or under any joint arrangement should be shown in its appropriate class and the entry of length should be of the entire length of the portion jointly held. The class symbol should have the letter (J) attached, and full particulars showing all of the joint or common title holders, and the extent of their respective interests should be shown in a memorandum attached to the schedule.

Line No.	Class (a)	Name of owner (b)	Location (c)	Character of business (d)	Total mileage operated (e)
1					
2					
3					
4					
5			Not Applicable		
6					
7					
8					
9				Total	
10				Miles of road or track electrified (included in each preceding total)	
				TRACKS OPERATED AT COST FOR JOINT BENEFIT—INCLUDED ABOVE	
11					
12					
13					
14					
15					
16					
17				Total	
18				Are the tracks of the respondent operated primarily in the interest of any industrial, manufacturing, or other corporation, firm, or individual? _____	
				If so, give name, address, and character of business of corporation, firm, or individual. Name _____ Address _____	
				Character of business _____	

414. CHANGES DURING THE YEAR

Hereunder state the matters called for. Make the statements explicit and precise, and number them in accordance with the inquiries; each inquiry should be fully answered, and if the word "none" truly states the fact it may be used in answering any particular inquiry. Changes in mileage should be reported by classes and stated to the nearest hundredth of a mile.

1. For each railroad property used in respondent's transportation service, show all increases and decreases in mileage, classifying the changes in the tables below as follows:

(Class 1) Line owned by respondent.

(Class 2) Line owned by proprietary companies.

(Class 3) Line operated under lease for a specified sum.

(Class 4) Line operated under contract or agreement for contingent rent.

(Class 5) Line operated under trackage rights.

2. For changes in miles of road, give dates of beginning or abandonment of operations. If any changes reportable in this schedule occurred

under authority granted by the Commission in certificates of convenience and necessity, issued under paragraphs (18) to (22) of section 1 of the Interstate Commerce Act or otherwise, specific reference to such authority should in each case be made by docket number or otherwise, as may be appropriate.

3. All consolidations, mergers, and reorganizations effected, giving particulars.

This statement should show the mileage, equipment, and cash value of property of each company as well as the consideration received by each company party to the action. State the dates on which consolidated, etc., and whether the prior companies have been dissolved. Copies of the articles of consolidation, merger, or reorganization should be filed with this report.

4. Other important changes not elsewhere provided for involving more than \$50,000, giving full particulars.

INCREASES IN MILEAGE

Line No.	Class (a)	Main (M) or branch (B) line (b)	Running Tracks, Passing Tracks, Cross-Overs, Etc.				Miles of way switching tracks (g)	Miles of yard switching tracks (h)	Total (i)	Remarks (j)
			Miles of road (c)	Miles of second main track (d)	Miles of all other main tracks (e)	Miles of passing tracks, cross-overs and turn-outs (f)				
1	1	M				.08	.34	.10	.52	
2	1	B					.21		.21	
3	1J	M						.05	.05	
4										
5										
6										
7										
8										
9										
10										
11										
12										
13	Total Increase					.08	.55	.15	.78	

DECREASES IN MILEAGE

14	1	M				.02	.06	.38	.46	
15	1	B				.02		.03	.05	
16										
17										
18										
19										
20										
21										
22										
23										
24										
25	Total Decrease					.04	.06	.41	.51	

If returns under Inquiry No. 1 above include any first main track owned by respondent or its proprietary companies representing new construction or permanent abandonment give the following particulars:

Owned by respondent:

Miles of road constructed None Miles of road abandoned None

Owned by proprietary companies:

Miles of road constructed None Miles of road abandoned None

The item "miles of road constructed" is intended to show the mileage of first main track laid to extend respondent's road, and should not include tracks relocated and tracks laid to shorten the distance between two points, without serving any new territory.

By road abandoned is meant "permanently abandoned," the cost of which has been or is to be written out of the investment accounts.

NOTES AND REMARKS

415. MILES OF TRACKS AT CLOSE OF YEAR—BY STATES AND TERRITORIES (For switching and terminal companies only)

Give particulars, as of the close of the year, of all tracks operated and of all owned but not operated. The respondent's proportion of operated tracks held by it as joint or common owner, or under a joint lease, or under any joint arrangement, should be shown in columns (b), (d), or (e), as may be appropriate. The

remainder of jointly operated mileage should be shown in column (f). Tracks owned, not operated by respondent (including respondent's proportion of jointly owned tracks, not operated), should be shown in column (h). If any of the tracks returned in column (h) are operated by other than the respondent, the name

of the company or individual operating them and the conditions under which they are held for operation should be shown in a footnote. Tracks which have been permanently abandoned should not be included in column (h). Lengths should be stated to the nearest hundredth of a mile.

Line No.	State or Territory (a)	Tracks Operated						Tracks owned, not operated by respondent (h)	New tracks constructed during year (i)
		Tracks owned (b)	Tracks of proprietary companies (c)	Tracks operated under lease (d)	Tracks operated under contract, etc. (e)	Tracks operated under trackage rights (f)	Total mileage operated (g)		
1									
2									
3									
4									
5									
6									
7									
8			Not Applicable						
9									
10									
11									
12									
13									
14									
15									
16									
	Total Mileage								

INSTRUCTION CONCERNING RETURNS IN SCHEDULE 417 ON PAGES 104 AND 105

Instructions for reporting locomotive and passenger-train car data, pages 104 and 105.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.

2. In column (c) give the number of units purchased new or built in company shops. In column (d) give the number of new units leased from others. The term "new" means a unit placed in service for the first time on any railroad.

3. Units leased to others for a period of one year or more are reportable in column (i); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (h); units rented from others for a period less than one year should not be included in column (i).

4. For reporting purposes, a "locomotive unit" is a self-propelled vehicle generating or converting energy into motion, and designed solely for moving other equipment. An "A" unit is the least number of wheel bases with superstructure designed for use singly or as a lead locomotive unit in combination with other locomotive units. A "B" unit is similar to an "A" unit, but not equipped for use singly or as a lead locomotive unit. A "B" unit

may be equipped with hostler controls for independent operating at terminals.

5. A "self-propelled car" is a rail motor car propelled by electric motors receiving power from third rail or overhead, or internal combustion engines located on the car itself. Trailers equipped for use only in trains of cars that are self-propelled are to be included as self-propelled equipment.

6. A "Diesel" unit includes all units propelled by diesel internal combustion engines irrespective of final drive, and whether power may at times be supplied from external conductor. Units other than diesel-electric, e.g., diesel-hydraulic, should be identified in a footnote giving the number and a brief description. An "Electric" unit includes all units which receive electric power from an overhead contact wire or third rail, and use the power to drive one or more electric motors that propel the vehicle. An "Other self-powered unit" includes all units other than diesel or electric, e.g., steam, gas turbine. Show the type of unit, service and number, as appropriate, in a brief description sufficient

for positive identification. An "Auxiliary unit" includes all units used in conjunction with locomotives but which draw their power from the "mother" unit, e.g., boosters, slugs, etc. For reporting purposes indicate radio-controlled self-powered diesel units on lines 1 through 8, as appropriate. Radio-controlled units that are not self-powered, i.e., those without a diesel, should be reported on line 17 under "Auxiliary units".

7. Column (k) should show aggregate capacity for all units reported in column (j), as follows: For locomotive units, report the manufacturers' rated horsepower (the maximum continuous power output from the diesel engine or engines delivered to the main generator or generators for tractive purposes). Exclude capacity data for steam locomotives. For passenger-train cars report the number of passenger seats available for revenue service, counting one passenger to each berth in sleeping cars.

8. Passenger-train car types and service equipment car types correspond to AAR Mechanical Division designations. Descriptions of car codes and designations are published in The Official Railway Equipment Register.

417. INVENTORY OF EQUIPMENT

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Type or design of units (a)	Units in service of respondent at beginning of year (b)	Changes During the Year					Units at Close of Year				
			Units installed				Units retired from service of respondent whether owned or leased, including re-classification (g)	Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h)&(i)) (j)	Aggregate capacity of units reported in col. (j) (see ins. 7) (k)	Leased to others (l)
			New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt units rewritten into property accounts (e)	All other units including re-classification and second hand units purchased or leased from others (f)						
	Locomotive Units										(H.P.)	
1	Diesel-Freight — A units	90 *	20				1	95	14	109	283,250	
2	Diesel-Freight — B units	14 *					3	11		11	16,500	
3	Diesel-Passenger — A units											
4	Diesel-Passenger — B units											
5	Diesel-Multiple purpose — A units	11 *						11		11	17,750	
6	Diesel-Multiple purpose — B units							75	15	90	117,700	
7	Diesel-Switching — A units	90 *										
8	Diesel-Switching — B units	8				(8)						
9	Total (lines 1 to 8)	205 213 *	20			(8)	4	192	29	221	435,200	
10	Electric-Freight											
11	Electric-Passenger											
12	Electric-Multiple purpose											
13	Electric-Switching											
14	Total (lines 10 to 13)											
15	Other self-powered units											
16	Total (lines 9, 14 and 15)	205 213 *	20			(8)	4	192	29	221	435,200	
17	Auxiliary units - Slugs	8 *				8			8	8	xxxx	
18	Total Locomotive Units (lines 16 and 17)	213 *	20			-	4	192	37	229 *	xxxx	

DISTRIBUTION OF LOCOMOTIVE UNITS IN SERVICE OF RESPONDENT AT CLOSE OF YEAR, ACCORDING TO YEAR BUILT, DISREGARDING YEAR OF REBUILDING

	Type or design of units (a)	Before Jan. 1, 1950 (b)	Between Jan. 1, 1950, and Dec. 31, 1954 (c)	Between Jan. 1, 1955, and Dec. 31, 1959 (d)	Between Jan. 1, 1960, and Dec. 31, 1964 (e)	Between Jan. 1, 1965, and Dec. 31, 1969 (f)	During Calendar Year					
							1970 (g)	1971 (h)	1972 (i)	1973 (j)	1974 (k)	TOTAL (l)
19	Diesel _____	29	49	3	19	40	8	23	30	-	20	221
20	Electric _____											
21	Other self-powered units _____											
22	Total (lines 19 to 21) _____	29	49	3	19	40	8	23	30	-	20	221
23	Auxiliary units - Slugs _____	2	4			2						8
24	Total Locomotive Units (lines 22 and 23) _____	31	53	3	19	42	8	23	30	-	20	229

417. INVENTORY OF EQUIPMENT—Continued

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Class of equipment and car designations	Units in service of respondent at beginning of year	Changes During the Year					Units at Close of Year				
			Units Installed				Units retired from service of respondent whether owned or leased, including reclassification	Owned used	Leased from others	Total in service of respondent (col. (h) & (i))	Aggregate capacity of units reported in col. (j) (see ins. 7)	Leased to others
			New units purchased or built	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts	All other units, including reclassification and second hand units purchased or leased from others						
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k) (Seating capacity)	(l)
	PASSENGER-TRAIN CARS <i>Non-Self-Propelled</i>											
25	Coaches [PA, PB, PBO] —											
26	Combined cars [All class C, except CSB] —											
27	Parlor cars [PBC, PC, PL, PO] —											
28	Sleeping cars [PS, PT, PAS, PDS] —											
29	Dining, grill and tavern cars [All class D, PD] —										XXXX	
30	Postal cars [All class M] —										XXXX	
31	Non-passenger carrying cars [All class B, CSB, PSA, IA] —										XXXX	
32	Total (lines 25 to 31) —	None								None		
	<i>Self-Propelled Rail Motorcars</i>											
33	Electric passenger cars [EP, ET] —											
34	Electric combined cars [EC] —											
35	Internal combustion rail motorcars [ED, EG] —											
36	Other self-propelled cars (Specify types: —)											
37	Total (lines 33 to 36) —											
38	Total (lines 32 and 37) —	None								None		
	COMPANY SERVICE CARS											
39	Business cars [PV] —	2							2	2	XXXX	
40	Boarding outfit cars [MWX] —	11				4		1	14	15	XXXX	
41	Derrick and snow removal cars [MWU, MWV, MWW, MWK] —	8						3	5	8	XXXX	
42	Dump and ballast cars [MWB, MWD] —										XXXX	
43	Other maintenance and service equipment cars —	75					3	59	13	72	XXXX	
44	Total (lines 39 to 43) —	96				4	3	63	34	97	XXXX	

Road Initials

Year 1974 KANSAS CITY SOUTHERN LINES CONSOLIDATED

417. INVENTORY OF EQUIPMENT—Continued

Instructions for reporting freight-train car data, pages 106 and 107.

1. Give particulars of each of the various classes of equipment which respondent owned or leased during the year.

2. In column (p) give the number of units purchased or built in company shops. In column (q) give the number of new units leased from others. The term "new"

means a unit placed in service for the first time on any railroad.

3. Units leased to others for a period of one year or more are reportable in column (z); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (u); units rented from others for a period less than one year should not be included in column (v).

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS							
Line No.	Class of equipment and car designations (m)	Units in service of respondent at beginning of year		Changes During the Year			
		Time-mileage cars (n)	All others (o)	Units Installed			
				New units purchased, ¹ or built ¹ (p)	New units leased from others (q)	Rebuilt units acquired and rebuilt units rewritten into property accounts ¹ (r)	All other units, including reclassification and second hand units purchased or leased from others (s)
FREIGHT-TRAIN CARS							
45	Box-General Service (unequipped) [All B, L070, R-00, R-01] _____	483					2,406
46	Box-General Service (equipped) [A-20, A-30, A-40, A-50, R-06, R-07] _____	3,689 *					
47	Box-Special Service [A-00, A-10] _____	390					
48	Gondola-General Service [All G (except G-9-)] _____	996					
49	Gondola-Special Service [G-9-, J-00, all C, all E] _____	105 *					
50	Hopper (open top)-General Service [All H (except H-70)] _____	379 *					
51	Hopper (open top)-Special Service [H-70, J-10, J-20, all K] _____	562 *					
52	Hopper (covered) [L-5-] _____	1,520 *					1
53	Tank, under 12,000 gallons [T-0, T-1, T-2, T-3] _____						
54	Tank, 12,000-18,999 gallons [T-4] _____						
55	Tank, 19,000-24,999 gallons [T-5, T-6] _____	7 *					
56	Tank, 25,000 gallons and up [T-7, T-8, T-9] _____	30 *		10			
57	Refrigerator (meat)-Mechanical [R-11, R-12] _____						
58	Refrigerator (other than meat) -Mechanical [R-04, R-10] _____						
59	Refrigerator (meat)-Non-Mechanical [R-02, R-08, R-09, R-14, R-15, R-17] _____						
60	Refrigerator (other than meat) -Non-Mechanical [R-03, R-05, R-13, R-16] _____						
61	Stock [All S] _____						
62	Autorack [F-5-, F-6-] _____	45 *					
63	Flat-General Service [F-0-] _____	274 *					
64	Flat-Special Service [F-1-, F-9-, F-20, F-30, F-40, L-2-, L-3-] _____	805 *					
65	Flat-TOFC [F-7-, F-8-] _____	13 *					
66	All other [L-0-, L-1-, L-4-, L080, L090] _____	2 *					
67	Total (lines 45 to 66) _____	9,300 *		10			2,407
68	Caboose [All N] _____	XXXX	79 *				1
69	Total (lines 67, 68) _____	9,300 *	79 *	10			2,408
70	Grand total, all classes of cars (lines 38, 44 and 69) _____	9,300 *	175 *	10			2,412
		New units purchased or built			Units rebuilt or acquired		
		General funds		Incentive funds	General funds		Incentive funds
¹ Box, unequipped (which relates to incentive per diem order)							

¹Box, unequipped (which relates to incentive per diem order)

417. INVENTORY OF EQUIPMENT—Continued

4. Column (y) should show aggregate capacity for all units reported in columns (w) and (x), as follows: for freight-train cars, report the nominal capacity (in tons of 2,000 lbs.) as provided for in Rule 86 of the AAR Code of Rules Governing Cars in Interchange. Convert the capacity of tank cars to capacity in tons of the commodity which the car is intended to carry customarily.

5. Freight-train car type codes shown in column (m) correspond to the AAR Multilevel Per Diem Master List. Dashes are used in appropriate places to permit a sin-

gle code to represent several car type codes. Descriptions of car codes and designations are published in *The Official Railway Equipment Register*.

6. Time-mileage cars refers to freight cars, other than cabooses, owned or held under lease arrangement, whose interline rental is settled on a per diem and line haul mileage basis under "Code of Car Hire Rules", or would be so settled if used by another railroad.

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Changes during year (Concluded)	Units At Close of Year						Line No.
	Owned and used (u)	Leased from others (v)	Total in service of respondent (col. (u) + (v))		Aggregate capacity of units reported in col. (w) + (x) (see ins. 4) (y)	Leased to others (z)	
			Time-mileage cars (w)	All other (x)			
Units retired from service of respondent whether owned or leased, including re-classification (t)							
97	2,430	362	2,792		198,428		45
2,449	998	242	1,240		83,630		46
4	384	2	386		20,033		47
8	874	114	988		74,400		48
1	29	75	104		13,483		49
3	223	153	376		31,356		50
3	501	58	559		41,584		51
44	892	585	1,477		137,844		52
							53
	7		7		350		54
	40		40		3,660		55
							56
							57
							58
							59
							60
6	39		39		1,950		61
5	269		269		17,088		62
							63
29	465	311	776		71,888		64
1	12		12		605		65
	2		2		154		66
2,650	7,165	1,902	9,067		696,453		67
2	56	22	xxxx	78	xxxxxxxxxxxxxx		68
2,652	7,221	1,924	9,067	78	696,453		69
2,655	7,284	1,958	9,067 9,164	175 78	696,453		70

417. INVENTORY OF EQUIPMENT—Concluded

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Line No.	Class of equipment and car designations (m)	Units in service of respondent at beginning of year		Changes During the Year			
		Per diem (n)	All other (o)	Units Installed			
				New units purchased or built ¹ (p)	New units leased from others (q)	Rebuilt units acquired and rebuilt units rewritten into property accounts (r)	All other units, including reclassi- fication and sec- ond hand units purchased or leased from oth- ers (s)
FLOATING EQUIPMENT							
71	Self-propelled vessels [Tugboats, car ferries, etc.]	X X X X					
72	Non-self-propelled vessels [Car floats, lighters, etc.]	X X X X					
73	Total (lines 71 and 72)	X X X X	None				
HIGHWAY REVENUE EQUIPMENT							
74	Bogie-chassis						
75	Dry van						
76	Flat bed						
77	Open top						
78	Mechanical refrigerator						
79	Bulk						
80	Insulated						
81	Platform, removable sides						
82	Other trailer or container						
83	Tractor						
84	Truck						
85	Total (lines 74 to 84)	None	None				

NOTES AND REMARKS

417. INVENTORY OF EQUIPMENT—Concluded

UNITS OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS

Changes during year (Concluded)	Units At Close of Year						Line No.
	Owned and used (u)	Leased from others (v)	Total in service of respondent (col. (u)+(v))		Aggregate capacity of units reported in col. (w)+(x) (see ins. 4) (v) (Tons)	Leased to others (z)	
			Per diem (w)	All other (x)			
Units retired from service of respondent whether owned or leased, in- cluding re- classification (t)							
			XXXX				71
			XXXX				72
			XXXX	None			73
							74
							75
							76
							77
							78
							79
							80
							81
							82
							83
							84
			None	None			85

NOTES AND REMARKS

421. HIGHWAY MOTOR VEHICLE OPERATIONS

Give particulars of highway motor vehicles operated by respondent in revenue and nonrevenue service and of revenue traffic handled for the respondent by others under contractual arrangements.

In reporting highway motor vehicle miles in line-haul service, show the mileage of buses and combination bus-trucks on line 5; the mileage of trucks and of bogies, trailers and semitrailers with trucks on line 6; and the mileage of tractors and of bogies, trailers and semitrailers with tractors on line 7. Vehicle miles in terminal service should be reported on lines 8 and 9.

In reporting traffic carried and traffic handled 1 mile on lines 10 to 15, and on lines 20 to 23, both inclusive, show the total number of tons and ton-miles of revenue freight in column (b) and the total number of passengers carried and passenger-miles in column (c), regardless of the class of vehicle used to perform the transportation service.

In reporting highway motor vehicles in nonrevenue service include those used in maintenance, shops, and storehouses, and transportation of company material; also buses used for transportation of company employees. Exclude automobiles used by officials and employees.

A. OPERATED BY RESPONDENT
(Revenue and nonrevenue service)

Line No.	Item (a)	Bogies (b)	Buses (c)	Chassis (d)
REVENUE SERVICE				
Vehicles owned or leased:				
1	Number available at beginning of year			
2	Number installed during the year			
3	Number retired during the year			
4	Number available at close of year			
Vehicle miles (including loaded and empty):				
Line haul (station to station):				
5	Passenger vehicle miles	XXXXXX		XXXXXX
6	Truck miles		XXXXXX	XXXXXX
7	Tractor miles		XXXXXX	XXXXXX
Terminal service:*				
8	Pick-up and delivery			
9	Transfer service			
Traffic carried:				
10	Tons—Revenue freight—Line haul	XXXXXX	XXXXXX	XXXXXX
11	Tons—Revenue freight—Terminal service only	XXXXXX	XXXXXX	XXXXXX
12	Revenue passengers—Line haul	XXXXXX		XXXXXX
13	Revenue passengers—Terminal service only	XXXXXX		XXXXXX
Traffic handled 1 mile:				
14	Ton-miles—Revenue freight—Line haul	XXXXXX	XXXXXX	XXXXXX
15	Revenue passenger-miles—Line haul	XXXXXX		XXXXXX
NONREVENUE SERVICE				
Vehicles owned or leased:				
16	Number available at beginning of year			
17	Number installed during the year			
18	Number retired during the year			
19	Number available at close of year			

*When performed by vehicles other than those used for line haul.

B. OPERATED BY OTHERS
(Revenue service)

Line No.	Item (a)	Bogies (b)	Buses (c)	Chassis (d)
Traffic carried:				
20	Tons—Revenue freight	XXXXXX	XXXXXX	XXXXXX
21	Revenue passengers	XXXXXX		XXXXXX
Traffic handled 1 mile:				
22	Ton-miles—Revenue freight	XXXXXX	XXXXXX	XXXXXX
23	Revenue passenger-miles	XXXXXX		XXXXXX

421. HIGHWAY MOTOR VEHICLE OPERATIONS—Concluded

"Trailers" means trailer bodies used in TOFC/COFC service which are permanently mounted on running gear. "Containers" means trailer bodies used in TOFC/COFC service which are not permanently mounted on wheels or chassis, but are separated from such running gear before being loaded on flat cars.

A. OPERATED BY RESPONDENT—Concluded
(Revenue and nonrevenue service)

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Trucks (i)	Combination bus-trucks (j)	Line No.
						1
						2
						3
						4
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		5
XXXXXX		XXXXXX			XXXXXX	6
XXXXXX				XXXXXX	XXXXXX	7
						8
						9
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	10
XXXXXX	XXXXXX	XXXXXX	XXXXXX		XXXXXX	11
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	12
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	13
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX		14
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	15
				187		16
				11		17
				19		18
				* 179		19

B. OPERATED BY OTHERS—Concluded
(Revenue service)

Containers (e)	Semitrailers (f)	Tractors (g)	Trailers (h)	Truck (i)	Combination bus-trucks (j)	Line No.
XXXXXX	XXXXXX	XXXXXX	XXXXXX	33,191	XXXXXX	20
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	21
XXXXXX	XXXXXX	XXXXXX	XXXXXX	1,192,031	XXXXXX	22
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	23

* 78 Units equipped with Hi-Rail equipment for traveling on rails.

422. HIGHWAY MOTOR-VEHICLE ENTERPRISES IN WHICH THE RESPONDENT HAD A DIRECT OR INDIRECT FINANCIAL INTEREST DURING THE YEAR

Give particulars of highway motor-vehicle enterprises (excluding Railway Express Agency, Inc.) in which the respondent had a financial interest, either directly or indirectly, during the year.

In column (a) identify each motor-vehicle enterprise by name and address, and in column (b) state whether the respondent's interest in such

enterprise was direct or indirect. If the interest was indirect, give the names of all intermediaries.

In column (c) give the date on which respondent first acquired its direct or indirect interest in the enterprise.

Line No.	Name and address of highway motor-vehicle enterprise (a)	Nature of respondent's interest (b)	Date on which respondent's direct or indirect interest was originally acquired (c)
1			
2	Kansas City Southern Transport		
3	Company, Inc.	Direct	May 23, 1933
4			
5	Louisiana, Arkansas & Texas		
6	Transportation Company	Direct	July 1930
7			
8	Landa Motor Lines	Direct	July 1939
9			
10	114 West 11th Street		
11	Kansas City, Missouri 64105		
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			

510. GRADE CROSSINGS

A—Railroad With Railroad

1. A crossing of a railroad with a railroad means the intersection of all the tracks on one right-of-way with all of the tracks on another right-of-way, whether or not owned or operated by the same company; thus, the intersection of one double-track line with another double-track line shall be reported as one crossing. Each such crossing shall be reported only by the carrier who performs the actual maintenance of the signal or interlocking protection, if so provided, or by the carrier who maintains the crossing frogs where no protection exists. The carrier which actually performs the maintenance shall be the reporting carrier, even though other party, or parties, assume a part or all of the expense of such maintenance. Where portions of the apparatus are maintained by two or more companies, as for example—the condition where one crossing frog is maintained by one company and the second frog by the other company, agreement should be made between carriers as to which shall report. Report should be made of each crossing, whether main line, branch line, or switching tracks are involved, so long as separate rights-of-way are involved, regardless of whether or not the rights-of-way involved are

owned or leased by the same company. A cross-over from one track to another on the same right-of-way, or the use of a crossing frog for the intersection of two tracks in the same right-of-way, is not to be considered as a crossing in this connection. If one right-of-way intersects two or more rights-of-way in the same vicinity a separate crossing shall be reported for each such intersection, even though all are controlled by one interlocking plant. In such case, this fact should be explained in a footnote in order that the interlocking plant may not be counted more than once.

2. The term "Protection" as used in this connection should include all signalling or derailing devices which may restrict the use of the crossing by either carrier. It shall not include stationary or other cautionary signs which merely indicate the proximity of a crossing. Where crossings are protected by more than one of the types of protection shown in columns (b) to (i) inclusive, the kind of protection, etc., should be reported in only one classification and that of the more elaborate type.

Line No.	Number of crossings (a)	Interlocking (b)	Automatic signals (automatic interlocking) (c)	Details on one line, no protection on other (d)	Hand-operated signals, without interlocking (e)	Gates (f)	Total specially protected (g)	Total not specially protected (h)	Grand total (i)
1	Number at beginning of year	8	9		2	15	34	60	94
2	Crossings added: New crossings								
3	Change in protection								
4	Crossings eliminated: Separation of grade								
5	Change in protection								
6	Other causes								
7	Number at close of year	8	9		2	15	34	60	94
	Number at Close of Year by States:								
8									
9	Missouri	1	5		2		8	11	19
10	Kansas					7	7	7	14
11	Oklahoma	1					1		1
12	Arkansas	1				1	2	6	8
13	Louisiana	3	4			7	14	31	45
14	Texas	2					2	5	7
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									

510. GRADE CROSSINGS—Continued
B—Railroad With Highway

1. A highway grade crossing is to be regarded as a single crossing of all of the tracks within the adjacent owned or leased right(s) of way of the railroad(s) at the point of intersection with a publicly maintained highway, street or avenue at the same grade to the extent that the tracks are located within the limits of a single set of grade crossing signs or protective devices having an integrated set of actuating circuits.

2. Not to be included are crossings of tracks with private roads leading to or within industrial plants, or with other roads or driveways not dedicated to public use. All crossings of tracks at grade with public roads and streets should be included if any railroad operations are conducted thereover by the reporting company whether or not the track is located on railroad right-of-way.

3. A private grade crossing which becomes public during the year should be reported as a new grade crossing. A grade crossing of a dual or multi-lane highway should be reported as one crossing. In the classification of protection, a crossing having more than one of the classes of protection listed below should be reported once only, using the furthest left column that applies. To avoid

duplicate reporting of jointly owned, jointly maintained or jointly used crossings, one railroad shall be designated the reporting road by mutual agreement of the interested parties.

4. In columns (b) and (c) include grade crossings with or without audible signals. In columns (d) and (e) include grade crossings with or without any type of audible or visible supplemental device. Exclude from columns (f) and (g) those crossings where train movement is protected only by a member of the train crew. Audible signals reportable in column (h) include any train-actuated bell, whistle, siren or other audible device located adjacent to the crossing. Other automatic signals reportable in column (i) include wigwags, Highway Traffic Signals or special types of train-activated devices with or without audible supplements. Include in column (l), in addition to "Railroad Crossing" crossbuck, any other static sign (except "Number of Tracks" sign) or any non-train-actuated signal such as amber continuous-flashing lights. In column (m) report other than railroad crossbuck. Totals in column (o), lines 9 and 10 should be equal, resulting in no change in the total number of crossings.

Line No.	Item of Annual Change (a)	TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE													
		Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		Watchmen only		Audible signals only (h)	Other automatic signals (i)	Total indicating warning of train approach (j)	"Railroad Crossing" crossbuck signs only (k)	Crossbuck signs with other fixed signs (l)	Other fixed signs only (m)	No signs or signals (n)	Total crossings at grade (o)
				24 hours per day (d)	Less than 24 hours per day (e)	24 hours per day (f)	Less than 24 hours per day (g)								
1	Number at beginning of year Column (1)	9	163	7					120	299	566	739	46	138	1,788
2	Added: By new, extended or relocated highway														
3	By new, extended or relocated railroad														
4	Total added														
5	Eliminated: By closing or relocation of highway														
6	By relocation or abandonment of railroad														
7	By separation of grades														
8	Total eliminated														
9	Changes in protection: Number of each type added	2	5							7					7
10	Number of each type deducted		1							1	2	4			7
11	Net of all changes	2	4							6	(2)	(4)			
12	Number at close of year	11	167	7					120	305	564	735	46	138	1,788
13	Number at close of year by States:														
14	Missouri	4	34						6	44	178				222
15	Kansas			1					7	8	90			16	114
16	Oklahoma		1						22	23	1	102		3	129
17	Arkansas	2	4	4					15	25	53	163		9	250
18	Louisiana	4	103	2					39	148		466	46	66	726
19	Texas	1	25						31	57	242	4		44	347
20															
21															
22															

511. GRADE SEPARATIONS

Highway-Railroad

1. (a) A highway-railroad grade separation is to be regarded as a single crossing of all of the tracks within the owned or leased right-of-way or contiguous rights-of-way of the railroad(s) at the point of intersection with a publicly maintained highway, street or avenue at separate grades.

(b) Not to be included are structures which serve some major purpose other than the avoidance of conflict of railway movements with highway movements and which contain no design features required for accommodation of the intersecting traffic flow as in the case of major tunnels.

(c) In order to avoid duplicate reporting and possible confusion, in reporting grade separations used or maintained by more than one railroad, the interested parties in each case should designate one line to be the reporting railroad.

2. All separated crossings of tracks with public roads and streets should be included if any railroad operations are conducted thereover by the reporting company whether or not the track is located on railroad owned right-of-way.

3. Not to be included are crossings of tracks with private roads leading to or within industrial plants, or with other roads not dedicated to public use.

4. A private crossing which becomes public during the year should be reported as a new crossing.

5. A crossing of a dual or multi-lane highway should be reported as one crossing.

Line No.	Items of Annual Change (a)	Types and numbers of highway-railroad grade separations		
		Overpass (Highway above railroad) (b)	Underpass (Railroad above highway) (c)	TOTAL (d)
1	Number at beginning of year	122	101	223
2	Added: By new, extended or relocated highway		1	1
3	By new, extended or relocated railroad			
4	By elimination of grade crossing ¹		1	1
5	Total added			
6	Deducted: By closing or relocation of highway			
7	By relocation or abandonment of railroad			
8	Total deducted			
9	Net of all changes		1	1
10	Number at close of year	122	102	224
11	Number at close of year by States:			
12	Missouri	40	40	80
13	Kansas	5		5
14	Oklahoma	4	8	12
15	Arkansas	10	6	16
16	Louisiana	55	30	85
17	Texas	8	18	26
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				

¹Total in column (d) should correspond to total number of grade crossings eliminated "By separation of grades". Schedule 510-B, line 7 column (a).

513. TIES LAID IN REPLACEMENT

Give particulars of ties laid during the year in previously constructed tracks maintained by the respondent. Do not include any ties used in any new tracks or in track extensions.

In column (a) classify the ties as follows:

(U) Wooden ties untreated when applied.

(T) Wooden ties treated before application.

(S) Ties other than wooden (steel, concrete, etc.). Indicate type in column (h).

Report new and second-hand (relay) ties separately, indicating in column (h) which ties are new.

In columns (d) and (g) should be shown the total cost, including transportation charges on foreign lines, tie trains, loading, inspection, and the cost of handling ties in general supply, storage, and seasoning yards; and,

in the case of treated ties, also the cost of handling at treating plants and the cost of treatment. The cost of unloading, hauling over carrier's own lines and placing the ties in tracks, and of train service, other than that necessary in connection with loading or treatment, should not be included in this schedule.

The sum of entries on lines 21, 22, and 23 should equal the total of columns (d) and (g).

Any material difference between the return on line 22 and the charge to operating expense account No. 212, or between the sum of charges to additions and betterments shown in schedules Nos. 513 and 514 and the related charge to investment account No. 8, should be explained in a footnote.

(Dollars in thousands)

Line No.	Class of ties	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks
		Total number of ties applied	Average cost per tie	Total cost of crossties laid in previously constructed tracks during year	Number of feet (board measure) applied	Average cost per M feet (board measure)	Total cost of switch and bridge ties laid in previously constructed tracks during year	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	T	412,694	\$ 8.72	\$ 3,597	897,524	\$ 192.10	\$ 172	New
2	S	12,168	14.74	179				New
3								Concrete
4								
5								
6								
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14								
15								
16								
17								
18								
19								
20	Total	424,862	8.89	3,776	897,524	192.10	172	

(Dollars in thousands)

21	Amount of salvage on ties withdrawn	\$ None
22	Amount chargeable to operating expenses	\$ 3,948
23	Amount chargeable to additions and betterments	\$ None

Estimated number of crossties in all maintained tracks:

		Number	Percent of Total
24	Wooden ties	7,048,993	97.36
25	Other than wooden ties (steel, concrete, etc.)	191,379	2.64
26	Total	7,240,372	100.00

Class T - Preservative Process - Creosote Treatment

The difference between the amount shown on Line 22 of this schedule and charges to Account 212 - Ties, Schedule 320, Page 74, Lines 14, 15 and 16, represents profit on ties sold, adjustments relating to prior years' accounts, inventory adjustments relating to prior years' accounts, inventory adjustment on other minor items in accounts but not included in this schedule.

514. TIES LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

Give particulars of ties laid during the year in new construction, following the instructions given in the preceding schedule, so far as applicable,
(Dollars in thousands)

Line No.	Class of ties (a)	CROSSTIES			SWITCH AND BRIDGE TIES			Remarks (h)
		Total number of ties applied (b)	Average cost per tie (c)	Total cost of crossties laid in new tracks during year (d)	Number of feet (board measure) laid in tracks (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in new tracks during year (g)	
1	T	1,578	\$ 9.03	\$ 14	70,437	\$ 169.51	\$ 12	New
2	S	5,254	12.46	65				New
3								Concrete
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	6,832	11.56	79	70,437	169.51	12	
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid _____							.08
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid _____							.70

515. RAILS LAID IN REPLACEMENT

Give particulars of all rails applied during the year in connection with replacement of rails in previously constructed tracks maintained by the respondent.

In column (a) classify the kind of rail applied as follows:

- (1) New steel rails, Bessemer process.
- (2) New steel rails, open-hearth process.
- (3) New rails, special alloy (describe more fully in a footnote).
- (4) Relay rails.

Returns in columns (c) and (g) should be reported in whole numbers. Fractions of less than one-half should be disregarded, and fractions of one-half or more reckoned as one.

The returns in columns (d) and (h) should include the cost of loading at the point of purchase ready for shipment, the freight charges paid foreign

lines, and the cost of handling rails in general supply and storage yards. The cost of unloading, hauling over carrier's own lines, and placing the rails in tracks, and of train service in connection with the distribution of the rails, should not be included in this schedule.

The sum of entries on lines 22, 23, and 24 should equal the total of columns (d) and (h).

Any material difference between the return on line 23 and the charge to operating expense account No. 214, or between the sum of charges to additions and betterments shown in schedules Nos. 515 and 516 and the related charge to investment account No. 9, should be explained in a footnote.

(Dollars in thousands)

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS			
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lb.) (e)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb.) (i)
		Pounds per yard of rail (b)	Number of tons (2,000 lb.) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lb.) (g)		
1	4	75		\$	\$	75	1	\$	19.00
2	4	80				80	1		17.00
3	2	85				85	2		157.00
4	4	85	121	4	34.55	85	227	13	55.26
5	2	90	139	25	180.87	90	171	30	176.98
6	4	90	952	30	31.35	90	296	13	43.63
7	4	100	23	1	51.57	100	95	9	97.63
8	4	110				110	1		78.00
9	2	112	(21)	(2)	(97.57)	112	3		82.00
10	4	112	528	17	31.53	112	93	4	41.03
11	2	115	184	33	179.61	115	42	7	175.48
12	4	115	70	2	30.17	115	30	4	44.71
13	2	127	3		73.33				
14	4	127	475	15	31.29	127	48	2	33.88
15	2	132	78	9	120.63				
16	2	133	1,125	135	120.11				
17	2	136	1,584	115	72.42	136	28	4	160.54
18	4	136	21	1	30.29	136	4		33.25
19	2	137	1,670	331	198.31	137	342	84	244.33
20	Total	X X X X	6,952	716	102.99	X X X X	1,434	170	118.55

(Dollars in thousands)

21	Number of tons (2,000 lb.) of relayers and scrap rail taken up	3,317	
22	Salvage value of rails released	\$ 70	
23	Amount chargeable to operating expenses	\$ 610	
24	Amount chargeable to additions and betterments	\$ 206	
25	Miles of new rails laid in replacement (all classes of tracks) †	92.92	(rail-miles) 46.46
26	Miles of new and second-hand rails laid in replacement (all classes of tracks) ‡	139.86	(rail-miles) 69.93
27	Average weight per yard of new rails laid in replacement (running, passing, and cross-over tracks, etc.) *	133	(pounds)
28	Tons of rail sold as scrap and amount received	3,773	(tons of 2,000 lb.); \$ 105
29	Track-miles of welded rail installed this year	8.18	: total to date 82.53

†Classes 1, 2, and 3 rails.—Reduce tonnage in columns (c) and (g) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in all classes of tracks; divide the total number of yards of new rails laid in all classes of tracks by 1,760; state the quotient with two decimal places.

‡Classes 1, 2, 3, and 4 rails.—Reduce tonnage in columns (c) and (g) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new and second-hand rail laid in all classes of tracks; divide the total number of yards of new and second-hand rails laid in all classes of tracks by 1,760; state the quotient with two decimal places.

*Classes 1, 2, and 3 rails.—Reduce tonnage in column (c) to pounds; divide each result by the respective pounds per yard to obtain the number of yards of each weight of new rail laid in running, passing, and cross-over tracks, etc.; divide the total number of pounds of new rails laid in running tracks, etc., by the total number of yards of new rails laid in such tracks.

The difference between Line 23 and Account 214, Schedule 320, is the result of prior year adjustments and estimated cost figured this year on previous year relays.

516. RAILS LAID IN ADDITIONAL TRACKS AND IN NEW LINES AND EXTENSIONS

Give particulars of rails applied during the year in the construction of new tracks, following the instructions given in the preceding schedule, so far as applicable. (Dollars in thousands)

Line No.	Class of rail (a)	RAIL APPLIED IN RUNNING TRACKS, PASSING TRACKS, CROSS-OVERS, ETC.				RAIL APPLIED IN YARD, STATION, TEAM, INDUSTRY, AND OTHER SWITCHING TRACKS			
		Weight of Rail		Total cost of rail applied in running tracks, passing tracks, cross-overs, etc., during year (d)	Average cost per ton (2,000 lb.) (e)	Weight of Rail		Total cost of rail applied in yard, station, team, industry, and other switching tracks during year (h)	Average cost per ton (2,000 lb.) (i)
		Pounds per yard of rail (b)	Number of tons (2,000 lb.) (c)			Pounds per yard of rail (f)	Number of tons (2,000 lb.) (g)		
1	4	85		\$	\$	85	4	\$	31.75
2	2	90				90	4	1	168.00
3	4	90	2		34.50	90			
4	4	112	13		79.23	112	23	1	30.39
5	2	115	1		186.00	115	2		194.00
6	4	115				115	33	1	30.33
7	4	127	419	13	30.01	127	28	1	30.32
8	2	136	4	1	173.00	136			
9	4	136	2		16.50	136			
10	2	137	86	16	181.35				
11									
12									
13		2	91	17			4	1	
14		4	436	13			88	3	
15									
16	Total	XXX	527	30	56.93	XXX	94	4	42.55

17 Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid .08

18 Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid .15

The difference between the sum of charges to A&B in Schedule No. 516 and amounts charged to A/C 9-Rails in schedule No. 211 (e) and (f) represents adjustments to previous years accounts and other miscellaneous items not included in the schedule.

517. GAUGE OF TRACK AND WEIGHT OF RAIL

Give the particulars below called for concerning the road and track operated by the respondent at the close of the year. Only the respondent's proportion of jointly-owned mileage should be included. Under "Weight of rail," the various weights of rails should be given. If any part of the road operated at the close of the year is other than standard gauge,

4 feet 8-1/2 inches, show the gauge of each part in column (d). Road and track occupied under trackage right or other form of license should not be included herein, but all road and track held under any form of lease (granting exclusive possession to the lessee) should be included.

Line No.	Weight of rails per yard (a)	Line-haul companies (miles of main track) (b)	Switching and terminal companies (miles of all tracks) (c)	Remarks (d)
	Pounds			
1	136	133.14		
2	127	396.23		
3	115	280.53		
4	112	228.36		
5	100	20.32		
6	90	362.29		
7	85	87.32		
8	80	19.85		
9	75	3.34		
10	70	19.13		Includes only 1/2 of 4.55 miles of track jointly owned.
11	60	.46		
12		1,550.97		All track standard gauge 4Ft. 8 1/2 In.
13				
14				
15				
16				

531. STATISTICS OF RAIL-LINE OPERATIONS (See Page 121 for Instructions)

Line No.	Item (a)	Freight trains (b)	Passenger trains (c)	Total transportation service (d)
1	Average mileage of road operated _____	1,672		1,672
	Train-Miles			
2	Diesel locomotives _____	2,615,998		2,615,998
3	Other locomotives _____			
4	Total locomotives _____	2,615,998		2,615,998
5	Motorcars _____			
6	Total train-miles _____	2,615,998		2,615,998
	Locomotive Unit-Miles			
7	Road service _____	7,473,310		7,473,310
8	Train switching _____	696,777		696,777
9	Yard switching _____	2,090,043		2,090,043
10	Total locomotive unit-miles _____	10,260,130		10,260,130
	Car-Miles (Thousands)			
11	Total motorcar car-miles _____	9		9
12	Loaded time-mileage freight cars _____	82,368,882		82,368,882
13	Loaded other freight cars _____	46,762,121		46,762,121
14	Empty time-mileage freight cars _____	60,811,430		60,811,430
15	Empty other freight cars _____	40,931,148		40,931,148
16	Caboose _____	2,615,998		2,615,998
17	Total freight car-miles (lines 12, 13, 14, 15 and 16) _____	233,489,579		233,489,579
18	Passenger coaches _____			
19	Combination passenger cars (mail, express, or baggage, etc., with passenger) _____			
20	Sleeping and parlor cars _____			
21	Dining, grill and tavern cars _____			
22	Head-end cars _____			
23	Total (lines 18, 19, 20, 21, and 22) _____			
24	Business cars _____			
25	Crew cars (other than caboose) _____			
26	Grand total car-miles (lines 11, 17, 23, 24 and 25) _____	233,489		233,489
	Gross Ton-Miles and Train-Hours in Road Service			
27	Gross ton-miles of locomotives and tenders (thousands) _____	977,452		977,452
28	Gross ton-miles of freight-train cars, contents, and cabooses (thousands) _____	14,848,984		14,848,984
29	Gross ton-miles of passenger-train cars and contents (thousands) _____			
30	Train-hours—Total _____	154,900		154,900
	Revenue and Nonrevenue Freight Traffic			
31	Tons of revenue freight _____	XX XX XX	XX XX XX	27,189,881
32	Tons of nonrevenue freight _____	XX XX XX	XX XX XX	328,036
33	Total tons revenue and nonrevenue freight _____	XX XX XX	XX XX XX	27,517,917
34	Ton-miles—Revenue freight in road service (thousands) _____	XX XX XX	XX XX XX	7,340,277
35	Ton-miles—Revenue freight in lake transfer service (thousands) _____	XX XX XX	XX XX XX	
36	Total ton-miles—Revenue freight (thousands) _____	XX XX XX	XX XX XX	7,340,277
37	Ton-miles—Nonrevenue freight in road service (thousands) _____	XX XX XX	XX XX XX	49,995
38	Ton-miles—Nonrevenue freight in lake transfer service (thousands) _____	XX XX XX	XX XX XX	
39	Total ton-miles—Nonrevenue freight (thousands) _____	XX XX XX	XX XX XX	49,995
40	Net ton-miles of freight—Revenue and nonrevenue (thousands) _____	7,390,272		7,390,272
	Revenue Passenger Traffic			
41	Passengers carried—Total _____	XX XX XX	XX XX XX	
42	Passenger-miles—Total _____	XX XX XX	XX XX XX	
	Train-Miles Work Trains			
43	Locomotives _____			27,122
44	Motorcars _____			
45	Total _____			27,122

INSTRUCTIONS CONCERNING SCHEDULE 531 ON PAGE 120

1. Give the various statistical items called for concerning the rail-line operations of respondent's road during the year. Train-miles, car-miles and other particulars are to be reported in accordance with the classification of train-miles and car-miles prescribed in the Uniform System of Accounts for Railroad Companies (Mileage Accounts 800 to 805 and 820 to 825). Locomotive unit-miles should include all miles made by each locomotive unit.

2. Time-mileage freight cars, as used herein, refers to freight cars other than cabooses owned or held under lease arrangement by U.S. class I line-haul railroads, whose interline rental is settled on a per diem and line-haul basis under "Code of Car Hire Rules," or would be so settled if used by another railroad.

3. Item No. 1 includes miles of road operated under trackage rights.

4. All statistics should be reported in whole numbers unless otherwise indicated in thousands. For gross ton-miles compute from conductors' or dispatchers' train reports weight in tons (2,000 pounds). Line 27 includes weight of all locomotive units moved one mile in transportation trains. Ton-miles of motorcars should be excluded. Lines 28 and 29 represent tons behind locomotive units (cars and contents, company-service equipment and cabooses) moved one mile in transportation trains. Include ton-miles of exclusive work service equipment and motorcars moving in

transportation trains. Use 150 pounds as the average weight per passenger and four tons as the average weight of contents of each head-end car.

5. Line No. 35 should represent the ton-miles of revenue freight in water transfer service on the Great Lakes involving a rail-line haul, the revenue from which is includible in account No. 101, "Freight." Ton-miles of revenue freight in water transfer service which was moved on the basis of lawful local tariff rates, the revenue from which is creditable to account No. 113, "Water transfers," should be excluded. Line 36. Total ton-miles—Revenue freight, should correspond to the ton-miles reported on Form OS-B, Item 2.

6. For net ton-miles, Line 40, compute from conductors' train reports. This item represents the number of tons of revenue and non-revenue freight moved one mile in transportation trains. Include a reasonable proportion of the weight of exclusive work equipment moved one mile. Include net ton-miles in motorcar trains. Exclude LCL shipments handled in mixed baggage-express cars.

7. The mileage of company service equipment, designed exclusively for work service and moved in transportation trains, should be classed as loaded freight car-miles.

8. Highway vehicle operations should not be included in Schedule 531 but particulars thereof given in a footnote below.

532. SWITCHING AND TERMINAL TRAFFIC AND CAR STATISTICS

(For switching and terminal companies only)

1. Give particulars of cars handled during the year. For descriptions of kinds of services included in switching operations, and in terminal operations, reference is made to the "Notice" on the inside of the front cover of this form. With respect to the term "cars handled" it should be observed that, when applied to switching operations, the movement of a car from the point at which a switching company receives it, whether loaded or empty, to the point where it is loaded or unloaded or delivered to another connecting line is to be counted as one car handled. The return of a car, whether loaded or empty, from the point where it is loaded or un-

loaded, to the point of delivery is to be counted as one car handled. No incidental movement is to be considered, unless such incidental movement involves the receipt of additional revenue. When applied to terminal operations, such as union station, bridge, ferry, or other joint facility terminal operations, the term "cars handled" includes all cars for which facilities are furnished.

2. The number of locomotive-miles in yard switching service should be computed in accordance with account No. 816, "Yard Switching Locomotive-miles."

Line No.	Item (a)	Switching operations (b)	Terminal operations (c)	Total (d)
Freight Traffic				
1	Number of cars handled earning revenue—Loaded			
2	Number of cars handled earning revenue—Empty			
3	Number of cars handled at cost for tenant companies—Loaded			
4	Number of cars handled at cost for tenant companies—Empty			
5	Number of cars handled not earning revenue—Loaded			
6	Number of cars handled not earning revenue—Empty			
7	Total number of cars handled			
Passenger Traffic				
8	Number of cars handled earning revenue—Loaded			
9	Number of cars handled earning revenue—Empty			
10	Number of cars handled at cost for tenant companies—Loaded			
11	Number of cars handled at cost for tenant companies—Empty			
12	Number of cars handled not earning revenue—Loaded			
13	Number of cars handled not earning revenue—Empty			
14	Total number of cars handled			
15	Total number of cars handled in revenue service (lines 7 and 14)			
16	Total number of cars handled in work service			
17	Number of locomotive-miles in yard switching service: Freight, _____; passenger, _____			

Not Applicable

NOTES AND REMARKS

562. COMPENSATION OF OFFICERS, DIRECTORS, ETC.

1. In columns (a) and (b) enter the name and position of each of the five persons named in Schedules 102 and 103 of this report to whom the respondent paid the largest amount during the year as compensation for current or past service over and above necessary expenses incurred in discharge of duties. In addition, list all other officers, directors, pensioners or employees, if any, to whom the respondent paid \$40,000 or more in total compensation during the year.

2. The salary per annum to be entered in column (c) is the annual rate at which an employee is paid rather than the amount actually paid for a part of a year. If the salary of an individual was increased or decreased during the year, show salary before each change as well as at close of year.

3. If an officer, director, etc., receives compensation from one or more of the affiliated companies listed in Schedule 104, reference to this fact should be made if the aggregate compensation from all companies amounts to \$40,000 or more. The detail as to division of the compensation should be reported in schedule 564.

4. Other compensation to be entered in column (d) includes, but is not limited to, commissions; bonuses; shares in profits; contingent compensation; moneys paid, set aside or accrued pursuant to any pension, retirement, savings, deferred compensation, or similar plan including premiums paid for retirement annuities, or life insurance where the respondent is not the beneficiary (Premiums on group life insurance for benefits less than \$50,000 need not be reported.), or any other arrangement which constitutes a form of compensation. Give the details of any plan not previously reported, the basis of determining the ultimate benefits payable, and the payments or provisions made during the year.

5. Also include in column (d) all remuneration paid, directly or indirectly, in the form of securities, options, warrants, rights or other property. Furnish particulars concerning any options, warrants, or rights issued or granted during the year including prices, expiration dates and other information relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets so entitled to be purchased by each officer, director, etc. (Dollars in thousands)

Line No.	Name of person (a)	Position of Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1	W. N. Deramus III	Chairman of the Board	\$ 79	\$ 3
2	T. S. Carter	President	45	3
3	R. J. Blair	V. P. and General Mgr.	40	
4	T. A. Giltner	V. P. and Comptroller	36	
5	D. E. Farrar	V. P. - Personnel	36	
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563. PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES AND AFFILIATES

1. In the form below give information concerning payments, fees, retainers, commissions, gifts, contributions, assessments, bonuses, pensions, subscriptions, allowance for expenses, or any form of payments amounting in the aggregate to \$50,000 or more during the year to any corporation, institution, association, firm, partnership, committee, or any person, except:

(a) Payments to employees of the respondent shall be reported in Schedule 562.

(b) Payments for services rendered by affiliates shall be reported in Schedule 564.

(c) Payments for accounting and audit fees must be reported in full regardless of the \$50,000 limitation. These fees must not be included with management fees paid to parent companies.

2. The aggregate of payments to be reported in column (c) shall include amounts paid and/or accrued during the year which are applicable to the year.

3. When contributions under \$50,000 are made in common with other carriers under a joint arrangement in payment for the performance of services or as a donation, each such contribution shall be reported, irrespective of the amount thereof, if the total amount paid by all contributors for the performance of the particular service is equal to the sum of \$100,000 or more.

4. Payments to the independent public accountant reporting on the respondent's annual report shall be subdivided to show separately the amount paid for auditing and the total amount paid for other types of management services such as, but not limited to, compensation plans, pension plans, forecasts and budgets, and tax advice. All carriers, whether payments aggregate more or less than \$50,000, shall answer the following question.

Did the independent accountant reporting on the respondent's annual report provide any management services other than auditing?
Specify, Yes ☐ No ☒

5. To be included are, among others, payments, directly or indirectly, for legal, medical, engineering, advertising, valuation, accounting, statistical, financial, educational, entertainment, charitable, advisory, defensive, detective, developmental, research, appraisal, registration, purchasing, architectural, and hospital services; payments for expert testimony and for handling wage disputes; and payments for services of banks, bankers, trust companies, insurance companies, brokers, trustees, promoters, solicitors, consultants, actuaries, investigators, inspectors, and efficiency engineers. Payments to the various railroad associations, commissions, committees, bureaus, boards, and other organizations maintained jointly by railroads shall also be included. The enumeration of these kinds of payments should not be understood as excluding other payments for services not excluded below.

6. To be excluded are: Rent of buildings or other property, taxes payable to the Federal, State, or local Governments, payment for heat, light, power, telegraph, and telephone services, and payments to other carriers on the basis of lawful tariff charges or for the interchange of equipment between carriers, as well as other payments for services which both as to their nature and amount may reasonably be regarded as ordinarily connected with the routine operation, maintenance, or construction of a railroad, but any special and unusual payments for services should be reported. Payments of \$50,000 or more to organizations maintained jointly by railroads with other railroads are not to be excluded even if their services are regarded as routine.

7. If more convenient, this schedule may be filled out for a group of roads considered as one system and shown only in the report of the principal road in the system, with references thereto in the reports of the other roads. When the respondent is reporting on a system basis, audit fees must be reported separately for each individual railroad included in the system.

8. If any doubt exists in the mind of the reporting officer as to the reportability of any type of payment, request should be made for a ruling before filing this report.

(Dollars in thousands)

Line No.	Name of recipient (a)	Description of service (b)	Amount of payment (c)
1	Association Of American RR.	Proportion of Maintenance and Operations	\$ 138
2	Western RR. Association	" " " "	473
3	Natl. Ry. Labor Conference	" " " "	12
4	Southeastern RR Asstd. Bureau	" " " "	28
5	Hartford Insurance Company	Insurance Premiums on Employees	278
6	Benefit Trust Life Ins. Company	" " " "	60
7	Provident Life & Accident Ins.	" " " "	48
8	Travelers Insurance Company	" " " "	1,770
9	R. L. Hines Sr. & Associates	Services Rendered	132
10	Great Western Enterprises	" " " "	579
11	Servitron, Inc.	" " " "	1,340
12	Trans-Mark Services, Inc.	" " " "	2,762
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**564. TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT
FOR SERVICES RECEIVED OR PROVIDED**

1. Furnish the information called for below concerning each contract, agreement or arrangement (written or unwritten) in effect at any time during the year between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not restricted to, management, legal, accounting, purchasing or other type of service including the furnishing of materials, supplies, purchase of equipment, leasing of structures, land and equipment, and agreements relating to allocation of officers salaries and other common costs between affiliated companies.

To be excluded are payments for the following types of services:

- (a) Lawful tariff charges for transportation services.
- (b) Payments to or from other railroads for interline services and interchange of equipment.
- (c) Payments to or from other railroads for services which may reasonably be regarded as ordinarily connected with routine operation, maintenance, or construction of a railroad, but any special or unusual transactions should be reported.
- (d) Agreements relating to joint pension plans with affiliated companies should be reported in explanatory notes section of Schedule 200 (p. 13)

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent received or provided services aggregating \$30,000 or more for the year. If an affiliated company provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, list all the affiliates included in the agreement and describe the allocation of charges in column (d). If the respondent provides services to more than one affiliate, and the aggregate compensation amounts to \$30,000 or more for the year, reference to this fact should be made and the detail as to the allocation of charges should be stated. For those affiliates providing services to the respondent, also enter in column (a) the percent of affiliate's gross income derived from transactions with respondent.

Attach a balance sheet and income statement for each affiliate with which respondent had reportable transactions during the year. These statements should be prepared on the same accounting

year basis and in conformity with the balance sheet and income statement in annual report form A, and should be noted to indicate method of depreciating property, if any, furnished to the respondent. Balance sheet and income statement are not required for affiliated carriers filing annual reports with the Commission.

3. In column (b) indicate form of affiliation or control between the respondent and the company or person identified in column (a) as follows:

- (a) If respondent directly controls affiliate insert the word "direct".
- (b) If respondent controls through another company insert the word "indirect".
- (c) If respondent is under common control with affiliate insert the word "common".
- (d) If respondent is controlled directly or indirectly by the company listed in column (a) insert the word "controlled".
- (e) If control is exercised by other means such as a management contract or other arrangement of whatever kind insert the word "other" and footnote to describe such arrangements.

4. In column (c) fully describe the character of service involved such as management fees, lease of building, purchase of material, etc. When the affiliate listed in column (a) provides more than one type of service in column (c), list each type of service separately and show total for the affiliate. When services are both provided and received between the respondent and an affiliate they should be listed separately and the amounts shown separately in column (g).

5. In column (d) fully describe the basis for computing charges under each contract, agreement, etc.

6. In columns (e) and (f) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

7. In column (g) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (c). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the respondent and an affiliate.

(Dollars in thousands)

Line No.	Name of Company or Individual and percent of gross income from respondent carrier (a)	%	Form of Affiliation (b)	Character of Service (c)	Basis of Charge (d)	Contract		Total Charges for Year	
						Date (e)	Term (f)	(P)(S)	(g)
1	Oliver Advertising	3	Common	General Advertising	Cost + 15%		0		\$ 32
2	Systec Data Management, Inc.	27	Common	Computer Programming	\$12.29 Hour	8-1-71	10 Yrs		375
3	Alfred Lindgren, Inc.	-	Common	Construction	Cost + 3%	12-30-71	5 Yrs		9
4	KCS Industries, Inc.	22	Controlled	Legal and Accounting	Revenue Prorate		0		1,226
5	Southern Development Co.	51	Common	Rental	\$5.00 Sq. Ft.	2-1-51	Continuous		220
6	Carland, Inc.	83	Common	Rental Equipment	Various	Various	8 Yrs		2,088
7	Rice-Carden Corporation	15	Common	Dockage Rent	Tariff Rate		0		122
8	Veals, Inc.	100	Common	Microwave Rental & Mtnc.	Cost + 2%	9-26-73	5 Yrs		903
9	Tolmak, Inc.	100	Common	Rental Tracks & Repairs	6% Valuation, Cost	7-1-67	Continuous		211

565. OTHER TRANSACTIONS BETWEEN RESPONDENT AND COMPANIES OR PERSONS AFFILIATED WITH RESPONDENT

1. Furnish the information called for below concerning transactions between the respondent and the affiliated companies listed in Schedule 104, or persons affiliated with the respondent including officers, directors, stockholders, owners, partners or their wives and other close relatives, or their agents. Examples of transactions are, but not limited to, purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$30,000 in value for the year.

2. In column (a) enter the name of the affiliated company, person, or agent with which respondent transacted purchase, sale or transfer.

3. In column (b) indicate form of affiliation or control between the respondent and company or person identified in column (a) in accord with instruction No. 3 to Schedule 564.

4. In column (c) briefly describe the kind of asset purchased, sold or transferred.

5. In column (d) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales with the company or individual named in column (a) when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".

6. In column (e) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (d).

7. In column (f) report the net profit or loss for each item (column (d) less column (e)).

8. Answer all questions at bottom of schedule. (Dollars in thousands)

Line No.	Name of Company or Individual (a)	Form of Affiliation (b)	Description of Item (c)	Sales or Purchase Price (d)	Net Book Value (e)	Gain or (Loss) (f)
1				\$	\$	\$
2						
3						
4						
5						
6						
7	NONE					
8						
9						
10						
11						
12						
13						

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (a)? Specify. Yes ___ No ___ If yes, give particulars of prior transaction such as sales price, and gain or loss.

Where any services provided or assets transferred between respondent and affiliated companies or individuals during the year for which no charges were assessed? Specify. Yes ___ No ___ If yes, explain.

**566 A. TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS
FOR SERVICES RECEIVED OR PROVIDED**

1. Furnish the information called for below concerning transactions between noncarrier subsidiaries of the respondent and other affiliated companies for services received or provided in accord with instruction No. 1 to Schedule 564.

2. In column (a) enter the name of the noncarrier subsidiary of respondent.

3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary received or provided services aggregating \$30,000 or more for the year.

4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.

5. In column (d) fully describe the character of service involved such as management fees, lease of building, purchase of material, etc. If more

than one type of service is provided, list each type of service separately. When services are both provided and received between the noncarrier subsidiary and other affiliate they should be listed separately and the amounts shown separately in column (h).

6. In column (e) fully describe the basis for computing charges under each contract, agreement, etc.

7. In columns (f) and (g) indicate the date and term of each contract or arrangement. If oral contract, indicate with symbol "O".

8. In column (h) report the total amount received, paid, or accrued during the year which is applicable to the year, for each type of service listed in column (d). Indicate purchase items with the symbol "P" and sales items with the symbol "S". Do not report net figures when services are both provided and received between the noncarrier subsidiary and other affiliate. (Dollars in thousands)

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Character of service (d)	Basis of Charge (e)	Contract		Total Charges for Year	
						Date (f)	Term (g)	(P)(S)	(h)
1	Southern Development	KC Sou. Industries	Indirect	Rent	\$10,000 Quarterly	3-21-69	5 Yrs		\$ 40,000
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21									
22									
23									
24									
25									
26									

566 B. OTHER TRANSACTIONS BETWEEN NONCARRIER SUBSIDIARIES OF RESPONDENT AND OTHER AFFILIATED COMPANIES OR PERSONS

1. Furnish the information called for below concerning other transactions between noncarrier subsidiaries of the respondent and other affiliated companies in accord with instruction No. 1 to Schedule 565.

2. In column (a) enter the name of the noncarrier subsidiary of respondent.

3. In column (b) enter the name of other affiliated company with which the noncarrier subsidiary transacted a purchase, sale or transfer of equipment, land, structures, securities or other assets aggregating \$30,000 in value for the year.

4. In column (c) indicate form of affiliation or control between noncarrier subsidiary and other affiliated company identified in column (b) in accord with instruction No. 3 to Schedule 564.

5. In column (d) briefly describe the kind of asset purchased, sold or transferred.

6. In column (e) report the total of all purchases, sales or transfers of property with a value of \$30,000 or more. If individual items are less than that amount, report the total of all purchases or sales when the aggregate of such items is \$30,000 for the year. Indicate purchase items with the symbol "P" and sales items with the symbol "S".

7. In column (f) summarize the book cost, less accrued depreciation if applicable, for each item reported in column (e).

8. In column (g) report the net profit or loss for each item (column (e) less column (f)).

9. Answer all questions at bottom of schedule.
(Dollars in thousands)

Line No.	Name of Respondent's Noncarrier Subsidiary Company (a)	Name of Other Affiliated Company (b)	Form of Affiliation (c)	Description of Item (d)	Sales or Purchase Price (e)	Net Book Value (f)	Gain or (Loss) (g)
1							
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							

With respect to the transactions listed above, were any gains or losses incurred by other affiliated companies in the six (6) accounting years preceding this report year on the transfer of the item to the company or individual named in column (b)? Specify. Yes . . . No . . . If yes, give particulars of prior transaction such as sales price, and gain or loss.

Were any services provided or assets transferred between noncarrier subsidiaries of respondent and other affiliated companies or individuals for which no charges were assessed? If so, explain.

571. CONSUMPTION OF FUEL BY MOTIVE-POWER UNITS

Show hereunder the amounts of the various kinds of fuel consumed by locomotive units and motors or other self-propelled rail cars in the service of the respondent during the year, and the number of kilowatt-hours for such tractive equipment as was propelled by electricity. The ton of 2,000 pounds should be used.

Kilowatt-hours, for entry in column (c) of section A, and column (h) of section B, are to be figures at high tension taps (point of production or point of purchase), and divided among the several classes of service, the division being made on the respondent's best estimate if actual figures are not available.

A. LOCOMOTIVES

Line No.	Kind of locomotive service (a)	Diesel	Electric	Other (Steam, Gas Turbine, Etc.)	
		Diesel oil (gallons) (b)	Kilowatt-hours (c)	Coal (tons) (d)	Fuel oil (gallons) (e)
1	Freight	25,115,379			
2	Passenger				
3	Yard switching	3,624,683			
4	Total	28,740,062			
5	Cost of Fuel*	\$ 6,698	\$	\$	\$
6	Work Train	74,425			

B. RAIL MOTORCARS

Line No.	Kind of locomotive service (f)	Diesel	Electric	Gasoline
		Diesel oil (gallons) (g)	Kilowatt-hours (h)	Gasoline (gallons) (i)
7	Freight			
8	Passenger			
9	Yard switching			
10	Total			
11	Cost of Fuel*	\$	\$	\$
12	Work Train			

*Show cost of fuel charged to train and yard service (accounts Nos. 382 and 394, for other than electric, and accounts Nos. 383, 384, 395, and 396, for electric). The cost stated for the various kinds of fuel should be the total charges in the accounts specified, including freight charges and handling expenses. The cost stated for electric current should be the total charges in the accounts enumerated. Fuel and power consumed by mixed and special trains that are predominantly freight should be included in freight service, but where the service of mixed or special trains is predominantly passenger, the fuel and power used should be included in passenger service. (Dollars in thousands)

561C. COMPENSATION APPLICABLE TO PRIOR YEARS

Show hereunder, for each group of employees, the amount of compensation applicable to prior years, which was paid or is payable under labor awards of the current year or for other reasons. Additional compensation for the current year under labor awards or for other reasons is includible in L.C.C. Wage Statistics Form A and B, "Report of Employees, Service, and Compensation," for the calendar year. For purposes of this report,

labor awards are intended to cover adjustments resulting from the decisions of Wage Boards and voluntary awards by the respondent incident thereto. Explain the nature of any amounts in excess of \$10,000 included in column (c) in a footnote.

(Dollars in thousands)

Line No.	Group No.	Class of employees (a)	Amount of Compensation		
			Under labor awards (b)	Other back pay (c)	Total (d)
1	I	Executives, officials, and staff assistants	\$	\$	\$
2	II	Professional, clerical, and general			
3	III	Maintenance of way and structures			
4	IV	Maintenance of equipment and stores			
5	V	Transportation (other than train, engine, and yard)			
6	VI(a)	Transportation (yardmasters, switch tenders, and hostlers)			
7	VI(b)	Transportation (train and engine service)			
8		Total			None

9 Amount of foregoing compensation that is chargeable to operating expenses: \$ None

581. CONTRACTS, AGREEMENTS, ETC.

1. Hereunder give a concise statement of each important contract, agreement, arrangement, etc., with other companies or persons, together with important revisions, modifications, terminations, and other changes thereof, which became effective during the year, and concerned in any way the transportation of persons or things at other than tariff rates, or the purchase of equipment under conditional sales plans without the issuance of securities by respondent, making such statements in the following order:

- (a) Express companies.
- (b) Mail.
- (c) Sleeping, parlor, and dining-car companies.
- (d) Freight or transportation companies or lines.
- (e) Other railway companies.
- (f) Steamboat or steamship companies.
- (g) Telegraph companies.
- (h) Telephone companies.
- (i) Equipment purchased under conditional sales contracts.
- (j) Routing traffic of affiliated companies.
- (k) Other contracts.

2. Under item 1(e), include particulars of joint facility arrangements entered into during the year by the respondent, including those maintained or operated by other carriers as well as those maintained or operated by respondent. For each joint facility, give a brief statement of the basis or bases on which revenues, expenses, taxes, interest on investment, and other items, if any, related to the facility are apportioned among the carriers using the facility or otherwise deriving benefit therefrom.

3. Under item 1(i), give particulars of conditional sales agreements, lease or rental contracts, and other similar instruments, entered into by respondent for the purchase of equipment, which provide for payment in installments and do not involve the issuance of securities by respondent. State the names of the parties to the contracts or agreements, the number

of units of each class of equipment covered, and the terms and conditions of payment.

4. Under item 1(j) give particulars of arrangements, written or oral with affiliated companies for routing of traffic. Through route arrangements for handling of traffic interchanged with carrier affiliates should not be reported.

5. Under item 1(k), Other contracts, describe briefly the particulars of all contracts or agreements, including estimated amounts receivable, under which a government agency, or instrumentality thereof, seeks to assist respondent with grants or aid for providing passenger commuter or other passenger-train services.

6. Information concerning contracts of minor importance may be omitted. A contract of minor importance is defined as one involving receipts or payments of less than \$25,000 per year, and which, by its terms, is otherwise unimportant.

7. In lieu of giving abstracts, copies of contracts may be filed. Every copy of a contract furnished in connection with the foregoing requirement should be listed hereunder.

8. The basis for computing receipts and payments should be fully stated in the case of each such contract, agreement, or arrangement.

9. Compliance with the requirements of this schedule does not relieve the respondent of the duty placed upon common carriers by section 6(5), Part I, of the Interstate Commerce Act, which reads as follows:

"Every common carrier subject to this part shall also file with said Commission copies of all contracts, agreements, or arrangements with other common carriers in relation to any traffic affected by the provisions of this part to which it may be a party. Provided, however, that the Commission, by regulations, may provide for exceptions from the requirements of this paragraph in the case of any class or classes of contracts, agreements, or arrangements, the filing of which, in its opinion, is not necessary in the public interest."

1 (i). Contract 26120 dated January 15, 1974 between General Motors Corporation and respondent assigned to Chemical Bank, New York covering purchase of 10 EMD 2,000 H.P. GP 38 locomotives and 10 EMD 3,000 H.P. SD 40 locomotives with payments over a 15 year period.

1 (k). Various agreements dated in 1974 between Carland, Inc. and respondent for lease of equipment for terms of 3 and 5 years with options to renew lease for an additional 3 and 5 years.

Description	Annual Rental
2 Freight Cars	\$ 3,069
4 Work Equipment	18,840
30 Trucks and Automobiles	69,512
Roadway Equipment	183,715
IBM Equipment	24,846
Miscellaneous Equipment	7,888
	<u>\$307,870</u>

NOTES AND REMARKS

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION

This schedule should be completed by carriers participating in the National Railroad Passenger Corporation (NRP) agreement, as required by order of the Commission, January 30, 1973, No. 35344 (Sub-NO. 3). Classify by accounts the amounts credited for remunerations for intercity

passenger service performed by respondent on behalf of NRPC. All contra entries should be indicated in parenthesis.

(Dollars in thousands.)

Line No.	Name of Account (a)	Amount (b)
	Maintenance of Way and Structures	\$
1	201 Superintendence	
2	202 Roadway Maintenance	
3	206 Tunnels and Subways	
4	208 Bridges, Trestles and Culverts	
5	210 Elevated Structures	
6	212 Ties	
7	214 Rails	
8	216 Other Track Material	
9	218 Ballast	
10	220 Track Laying and Surfacing	
11	221 Fences, Snowsheds and Signs	
12	227 Station and Office Buildings	
13	229 Roadway Buildings	
14	231 Water Stations	
15	233 Fuel Stations	
16	235 Shops and Enginehouses	
17	247 Communication Systems	Not Applicable
18	249 Signals and Interlockers	
19	253 Power Plants	
20	257 Power-transmission Systems	
21	265 Miscellaneous Structures	
22	269 Roadway Machines	
23	271 Small Tools and Supplies	
24	272 Removing Snow, Ice and Sand	
25	273 Public Improvements; Maintenance	
26	274 Injuries to Persons	
27	276 Stationery and Printing	
28	277 Employees Health and Welfare Benefits	
29	278 Maintaining Joint Tracks, Yards and Other Facilities - Dr.	
30	279 Maintaining Joint Tracks, Yards and Other Facilities - Cr.	
31	281 Right-of-way Expenses	
32	282 Other Expenses	
33	Total	
	Maintenance of Equipment	
34	301 Superintendence	
35	302 Shop Machinery	
36	304 Power-plant Machinery	
37	305 Shop and Power-plant Machinery; Depreciation	
38	311 Locomotives; Repairs	
39	317 Passenger-train Cars; Repairs	
40	326 Work Equipment; Repairs	
41	328 Miscellaneous Equipment; Repairs	
42	331 Equipment; Depreciation	
43	332 Injuries to Persons	
44	334 Stationery and Printing	
45	335 Employees Health and Welfare Benefits	

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Continued

Line No.	Name of Account (a)	Amount (b)
	Maintenance of Equipment--Continued	\$
46	336 Joint Maintenance of Equipment Expenses - Dr. _____	
47	337 Joint Maintenance of Equipment Expenses - Cr. _____	
48	339 Other Expenses _____	
49	Total _____	
	Traffic	
50	351 Superintendence _____	
51	352 Outside Agencies _____	
52	353 Advertising _____	
53	354 Traffic Associations _____	
54	358 Stationery and Printing _____	
55	359 Employees Health and Welfare Benefits _____	
56	360 Other Expenses _____	
57	Total _____	
	Transportation	
58	371 Superintendence _____	
59	372 Dispatching Trains _____	
60	373 Station Employees _____	
61	376 Station Supplies and Expenses _____	
62	377 Yardmasters and Yard Clerks _____	
63	378 Yard Conductors and Brakemen _____	
64	379 Yard Switch and Signal Tenders _____	
65	380 Yard Enginemen _____	
66	382 Yard Switching Fuel _____	
67	383 Yard Switching Power Produced _____	
68	384 Yard Switching Power Purchased _____	
69	388 Servicing Yard Locomotives _____	
70	389 Yard Supplies and Expenses _____	
71	390 Operating Joint Yards and Terminals - Dr. _____	
72	391 Operating Joint Yards and Terminals - Cr. _____	
73	392 Train Enginemen _____	
74	394 Train Fuel _____	
75	395 Train Power Produced _____	
76	396 Train Power Purchased _____	
77	400 Servicing Train Locomotives _____	
78	401 Trainmen _____	
79	402 Train Supplies and Expenses _____	
80	403 Operating Sleeping Cars _____	
81	404 Signal and Interlocker Operation _____	
82	405 Crossing Protection _____	
83	406 Drawbridge Operation _____	
84	407 Communication System Operation _____	
85	409 Employees Health and Welfare Benefits _____	
86	410 Stationery and Printing _____	
87	411 Other Expenses _____	
88	412 Operating Joint Tracks and Facilities - Dr. _____	
89	413 Operating Joint Tracks and Facilities - Cr. _____	
90	415 Clearing Wrecks _____	
91	420 Injuries to Persons _____	
92	Total _____	

600. REMUNERATIONS FROM NATIONAL RAILROAD PASSENGER CORPORATION - Concluded

Line No.	Name of Account (a)	Amount (b)
	Miscellaneous	\$
93	441 Dining and Buffet Service _____	
94	447 Operating Joint Miscellaneous Facilities - Dr. _____	
95	448 Operating Joint Miscellaneous Facilities - Cr. _____	
96	449 Employees Health and Welfare Benefits _____	
97	Total _____	
	General	
98	451 Salaries and Expenses of General Officers _____	
99	452 Salaries and Expenses of Clerks and Attendants _____	
100	453 General Office Supplies and Expenses _____	
101	454 Law Expenses _____	
102	456 Employees Health and Welfare Benefits _____	
103	457 Pensions _____	
104	458 Stationery and Printing _____	
105	460 Other Expenses _____	
106	461 General Joint Facilities - Dr. _____	
107	462 General Joint Facilities - Cr. _____	
108	Total _____	
	RENTS	
109	504 Rent from Locomotives _____	
110	505 Rent from Passenger-train Cars _____	
111	507 Rent from Work Equipment _____	
112	508 Joint Facility Rent Income _____	
113	537 Rent for Locomotives _____	
114	538 Rent for Passenger-train Cars _____	
115	541 Joint Facility Rents _____	
116	Total Rents _____	
117	532 Railway Tax Accruals _____	
118	Total Remunerations _____	

NOTES AND REMARKS

134500

ANNUAL REPORT 1974 CLASS 1 R.R. 3 of 4
KANSAS CITY SOUTHERN RY. CO.

VERIFICATION

The foregoing report must be verified by the oath of the officer having control of the accounting of the respondent. It should be verified, also, by the oath of the president or other chief officer of the respondent, unless the respondent states on the last preceding page of this report that such chief officer has no control over the accounting of the respondent. The oath required may be taken before any person authorized to administer an oath by the laws of the State in which the same is taken.

OATH

(To be made by the officer having control of the accounting of the respondent)

State of Missouri }
County of Jackson } ss:

T. A. Giltner

(Insert here the name of the affiant)

makes oath and says that he is Vice President and Comptroller

(Insert here the official title of the affiant)

Of The Kansas City Southern Railway and Controlled Companies

(Insert here the exact legal title or name of the respondent)

that it is his duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Interstate Commerce Commission, effective during the said period; that he has carefully examined the said report and to the best of his knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he believes that all other statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 1974 to and including December 31 1974

T. A. Giltner
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named, this 26th day of March, 19 75

My commission expires June 23, 1976

Use an
L.S.
impression seal

Geraldine S. Dallen
(Signature of officer authorized to administer oaths)

SUPPLEMENTAL OATH

(By the president or other chief officer of the respondent)

State of _____ }
County of _____ } ss:

**The Chief Officer of the respondent
has no control over the accounts.**

_____ makes oath and says that he is _____
(Insert here the name of the affiant) (Insert here the official title of the affiant)

of _____
(Insert here the exact legal title or name of the respondent)

that he has carefully examined the foregoing report; that he believes that all statements of fact contained in the said report are true, and that the said report is a correct and complete statement of the business and affairs of the above-named respondent and the operations of its property during the period of time from and including _____, 19 _____, to and including _____, 19 _____

(Signature of affiant)

Subscribed and sworn to before me, a _____, in and for the state and county above named, this _____ day of _____, 19 _____

My commission expires _____

Use an
L.S.
impression seal

(Signature of officer authorized to administer oaths)

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NOTES AND REMARKS

SUPPLEMENTARY SCHEDULES FOR ACCOUNT OF

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

LOUISIANA & ARKANSAS RAILWAY COMPANY

THE ARKANSAS WESTERN RAILWAY COMPANY

FORT SMITH AND VAN BUREN RAILWAY COMPANY

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	CURRENT ASSETS		\$ (2,315)	\$ (1,096)
1	(701) Cash		4,550	3,400
2	(702) Temporary cash investments (p. 23)		19	25
3	(703) Special deposits (p. 23)			
4	(704) Loans and notes receivable (p. 23)		30	
5	(705) Traffic, car service and other balances-Dr.		1,397	4,073
6	(706) Net balance receivable from agents and conductors		1,083	1,085
7	(707) Miscellaneous accounts receivable		100	100
8	(708) Interest and dividends receivable		5,003	3,278
9	(709) Accrued accounts receivable (p. 23)		735	735
10	(710) Working fund advances		200	194
11	(711) Prepayments (p. 23)		8,672	8,189
12	(712) Material and supplies		50	52
13	(713) Other current assets (p. 23)			
14	(714) Deferred income tax charges (p. 87)		19,524	20,035
15	Total current assets			
	SPECIAL FUNDS			
		(a1) Total book assets at close of year	(a2) Respondent's own issues included in (a1)	
16	(715) Sinking funds (pp. 24 and 25)	7	None	7
17	(716) Capital and other reserve funds (pp. 24 and 25)	318	None	266
18	(717) Insurance and other funds (pp. 24 and 25)	100	None	95
19	Total special funds		425	368
	INVESTMENTS		16,468	17,140
20	(721) Investments in affiliated companies (pp. 28-31)			
21	Undistributed earnings from certain investments in account 721 (pp. 35A and 35B)		5	32
22	(722) Other investments (pp. 32-35)		(40)	(360)
23	(723) Reserve for adjustment of investment in securities—Credit (p. 27, Instruction 9)		16,433	16,812
24	Total investments (accounts 721, 722 and 723)			
	PROPERTIES		83,181	82,226
25	(731) Road and equipment property: Road		103,841	97,802
26	Equipment		2,353	2,355
27	General expenditures			
28	Other elements of investment		2,654	2,327
29	Construction work in progress		192,029	184,710
30	Total (pp. 38-41)			
31	(732) Improvements on leased property: Road			
32	Equipment			
33	General expenditures			
34	Total (pp. 38-41)		192,029	184,710
35	Total transportation property (accounts 731 and 732)		(41,378)	(37,164)
36	(735) Accrued depreciation—Road and equipment (pp. 44 and 46)		(533)	(533)
37	(736) Amortization of defense projects—Road and Equipment (p. 47)		(41,911)	(37,697)
38	Recorded depreciation and amortization (accounts 735 and 736)		150,118	147,013
39	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		5,177	5,064
40	(737) Miscellaneous physical property (pp. 52 and 53)		(645)	(535)
41	(738) Accrued depreciation - Miscellaneous physical property (pp. 52 and 53)		4,532	4,529
42	Miscellaneous physical property less recorded depreciation (account 737 less 738)		154,650	151,542
43	Total properties less recorded depreciation and amortization (line 37 plus line 40)			
	OTHER ASSETS AND DEFERRED CHARGES		105	110
44	(741) Other assets (p. 54)		135	114
45	(742) Unamortized discount on long-term debt		648	796
46	(743) Other deferred charges (p. 54)			
47	(744) Accumulated deferred income tax charges (p. 87)		888	1,020
48	Total other assets and deferred charges		191,920	189,777
49	TOTAL ASSETS			

NOTE—See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

Road Initials

KCS

Year 1974

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

200 COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parentheses.

Line No.	Account or item (a)	(Do lars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES				
50	(751) Loans and notes payable (p. 63)		\$	\$
51	(752) Traffic, car service and other balances—Cr.			277
52	(753) Audited accounts and wages payable		3,246	3,299
53	(754) Miscellaneous accounts payable		829	804
54	(755) Interest matured unpaid		36	42
55	(756) Dividends matured unpaid		46	47
56	(757) Unmatured interest accrued		1,388	1,274
57	(758) Unmatured dividends declared			210
58	(759) Accrued accounts payable (p. 63)		6,233	5,698
59	(760) Federal income taxes accrued (p. 64)		(507)	(1,255)
60	(761) Other taxes accrued (p. 64)		1,459	1,351
61	(762) Deferred income tax credits (p. 87)			
62	(763) Other current liabilities (p. 63)		3,023	4,103
63	Total current liabilities (exclusive of long-term debt due within one year)		15,753	15,850
LONG-TERM DEBT DUE WITHIN ONE YEAR				
64	(764) Equipment obligations and other debt (pp. 56-59)	(a1) Total issued 6,741	(a2) Held by or for respondent None	6,741
LONG-TERM DEBT DUE AFTER ONE YEAR				
65	(765) Funded debt unmatured	(a1) Total issued 37,430	(a2) Held by or for respondent 1,195	36,235
66	(766) Equipment obligations	43,828	None	43,828
67	(767) Receivers' and Trustees' securities			
68	(768) Debt in default			
69	(769) Amounts payable to affiliated companies (p. 62)			156
70	Total long-term debt due after one year			80,219
RESERVES				
71	(771) Pension and welfare reserves (p. 65)			
72	(772) Insurance reserves (p. 65)			
73	(774) Casualty and other reserves (p. 65)			
74	Total reserves			2,123
OTHER LIABILITIES AND DEFERRED CREDITS				
75	(781) Interest in default (p. 58)			
76	(782) Other liabilities (p. 65)			
77	(783) Unamortized premium on long-term debt			169
78	(784) Other deferred credits (p. 65)			118
79	(785) Accrued depreciation—Leased property (p. 45)			587
80	(786) Accumulated deferred income tax credits (p. 87)			9
81	Total other liabilities and deferred credits			18,941
SHAREHOLDERS' EQUITY				
Capital stock (Par or stated value)				
82	(791) Capital stock issued: Common stock (p. 67)	(a1) Total issued 36,000	(a2) Held by or for company 40	35,960
83	Preferred stock (p. 67)	21,000	None	21,000
84	Total	57,000	40	56,960
85	(792) Stock liability for conversion (p. 68)			
86	(793) Discount on capital stock			
87	Total capital stock			56,960
Capital surplus				
88	(794) Premiums and assessments on capital stock (p. 69)			
89	(795) Paid-in surplus (p. 69)			
90	(796) Other capital surplus (p. 69)			
91	Total capital surplus			
Retained income				
92	(797) Retained income—Appropriated (p. 69)			600
93	(798) Retained income—Unappropriated (p. 20)			9,700
94	Total retained income			10,300
95	Total shareholders' equity			67,260
96	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			191,920

NOTE: See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

205. INVESTMENTS IN AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; and 717, "Insurance and other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 27, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise

encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
						Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
See Note			721 - Investments In Affiliated Companies	% \$	\$		
			Capital Stock				
1	A-1	VII	The Arkansas Western Railway Company	100	303		
1			The Kansas City, Shreveport and G.T. Co.	100			
1			Kansas City Terminal Ry. Co. (Note 3)	8-1/3	183		
1			Joplin Union Depot Company (Note 4)	33-1/3	10		
1			Kansas City Southern Transport Co., Inc.	100			
1			Louisiana & Arkansas Railway Company				
			Common Stock	100	4,072		
			Preferred Stock	100	2,000		
			Prior Preferred Stock	100	2,715		
1			Fort Smith and Van Buren Railway Company	100	12		
			The Pullman Company (Negligible)			12	
			Trailer Train Company	2.9		99	
			Total Class A-1		9,295	111	
	A-3	VI	Southern Development Company	100		10	
			Total Class A		9,295	121	
			First Mortgage Bonds				
1	B-1	VII	The Arkansas Western Railway Company				
			6-1-04 Due 10-1-75	100	100		
			6-1-29 Due 10-1-75	100	425		
1			The Kansas City, Shreveport and G.T. Co.				
			8-1-1897 Due 8-1-1975	100			
			Total Class B		525		
			Notes				
2	C-1	VII	Fort Smith and Van Buren Railway Company				
			4-1-41 Due 10-1-75 (Note 2)	100	130		
	D-1	VII	Railway Express Agency (Negligible)				
			10-1-59 Promissory			87	
	A-1	VII	Trailer Train Company (Negligible)				
			1-1-67 Due 4-17-97			77	
			1-1-67 Due 1-09-99			77	
			Total Notes		130	241	
			Forward		9,950	362	

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (h) inclusive. If the cost of any investment made during the year differs from the book value reported

ed in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k), which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

9. This schedule should not include securities issued or assumed by respondent. (Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)	
In sinking, insurance, and other funds (h)	Total book value (i)						
\$	\$	\$	\$	\$	%	\$	
							1
							2
	303		150	147			4
	183						5
	10						6
							7
							8
	4,072						9
	2,000				\$3.00 Sh	120	10
	2,715				\$3.00 Sh	180	11
	12						12
	12						13
	99						14
							15
	9,406		150	147		300	16
							17
	10						18
							19
	9,416		150	147		300	20
							21
							22
							23
	100						24
	425						25
							26
							27
			142				28
							29
	525		142				30
							31
							32
							33
	130						34
							35
							36
	87						37
							38
							39
	77				6½	5	40
	77				7½	6	41
							42
	371					11	43
							44
	10,312		292	147		311	45
							46

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

Line No	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference, if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
	(a)	(b)	(c)	(d)	(e)	Pledged (f)	Unpledged (g)
47	See Note			721 - Continued	%	\$	\$
48							
49				Brought Forward		9,950	362
50							
51				Advances			
52							
53		E-1	VII	The Arkansas Western Railway Company	100		
54				Fort Smith and Van Buren Railway Company	100		101
55				The Kansas City, Shreveport and G.T. Co.	100		
56	3			Kansas City Terminal Railway Company	8-1/3		1,505
57	4			Joplin Union Depot Company	33-1/3		177
58				Kansas City Southern Transport Co., Inc.	100		595
59							
60				Total Class E-1			2,378
61							
62		E-3	VI	Southern Development Company	100		3,778
63							
64				Total Class E			6,156
65							
66				Total Account 721		9,950	6,518
67							
68							
69							
70							
71							
72				Note			
73				1 Pledged under First Mortgage of The Kansas City Southern			
74				Railway Company.			
75							
76				2 Secured Mortgage of \$130,000 pledged under First Mortgage			
77				of The Kansas City Southern Railway Company.			
78							
79				3 Kansas City Terminal Railway Company is jointly controlled			
80				through ownership of securities by twelve railroads as			
81				set forth in Schedule 234.			
82							
83				4 Joplin Union Depot Company is jointly controlled through			
84				ownership of three railroads.			
85							
86							
87							
88							
89							
90							
91							
92							
93							
94							
95							
96							
97							
98							
99							

205. INVESTMENTS IN AFFILIATED COMPANIES—Concluded

205. INVESTMENTS IN AFFILIATED COMPANIES—Concluded							
INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year							
In sinking, insurance, and other funds (h)	Total book value (i)		Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)	
\$	\$	\$	\$	\$	%	\$	
							47
	10,312		292	147		311	48
							49
							50
							51
							52
	101						53
			380				54
	1,505						55
	177						56
	595						57
							58
	2,378		380				59
							60
	3,778						61
							62
	6,156		380				63
							64
	16,468		672	147		311	65
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206. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of others than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and other funds." Investments included in accounts Nos. 715, 716 and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 27, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and

(c). Investment in U. S. Treasury obligations may be reported as one item.

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designa-

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR	
					Book Value of Amount Held at Close of Year	
					Pledged (e)	Unpledged (f)
(a)	(b)	(c)	(d)			
1	715			<u>Sinking Funds</u>	\$	\$
2						
3				Series C First Mortgage 3-1/4% Bonds		
4						
5						
6	716			<u>Capital And Other Reserve Funds</u>		
7						
8	B-3	IX		Deposits For Destroyed Equipment		
9				U.S. Treasury Obligations		
10	B-3	IX		Chemical Bank - Purchase Agreement 1-15-74		
11	C-3	X		Ex Parte 305		
12				Voting Trust Certificates - Preferred &		
13				Common		
14						
15				Total Account 716		
16						
17						
18	717			<u>Insurance And Other Funds</u>		
19						
20				Barclays Bank - Nassau Bahamas		
21						
22						
23	722			<u>Other Investments</u>		
24						
25	A-3	X		Downtown Redevelopment Corporation		
26		X		Polk County Industrial Foundation		
27		X		Noel Development, Inc.		
28		X		Sallisaw Industrial Corporation		
29		X		First Missouri Development Corporation		
30						
31				Total Class A		
32						
33	C-3	X		Noel Development, Inc.		
34						
35	D-3	X		KCS Employees Hospital Association - Note		
36						
37				Total Account 722		
38						
39						
40						
41						
42						
43						
44						
45						
46						

206. OTHER INVESTMENTS—Continued

tion mat serially, the date in column (d) may be reported as "Serially 19 ____ to 19 ____." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

6. If any advances reported are pledged, give particulars in a footnote.

7. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) and (k). If the cost of any investment made during the year differs from the book value reported in

column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in the footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

(Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (j)	Selling price (k)	Rate (l)	Amount credited to income (m)	
In sinking, insurance, and other funds (g)	Total book value (h)						
\$	\$	\$	\$	\$	%	\$	
							1
							2
	7	600	600	600			3
							4
							5
							6
							7
							8
	40	2	197	197		2	9
		6,625	6,625	6,625		21	10
	272	272					11
							12
	6						13
							14
	318	6,899	6,822	6,822		23	15
							16
							17
							18
							19
	100	5				10	20
							21
							22
							23
							24
			25	21			25
			1	1			26
	1						27
	1						28
	1						29
							30
	3		26	22			31
							32
			1	1		1	33
							34
	2						35
							36
	5		27	23		1	37
							38
							39
							40
							41
							42
							43
							44
							45
							46

211B. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (e) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefor are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to

be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account 542. Report data applicable to improvements to such property, the cost of which is included in account 732, in columns (b), (c) and (d).

4. If the depreciation base for accounts 1, 2-1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account (s) affected.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
		\$	\$	%	\$	\$	%
	ROAD						
1	(1) Engineering	1,482	1,474	.67	5	5	.25
2	(2-1/2) Other right-of-way expenditures	114	114	2.17			
3	(3) Grading	13,711	13,716	.13	28	28	.12
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	10,468	10,558	1.55	7	7	3.45
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	331	331	1.98	1	1	2.01
8	(16) Station and office buildings	3,835	3,807	2.07			
9	(17) Roadway buildings	270	269	2.27			
10	(18) Water stations	66	66	2.49			
11	(19) Fuel stations	522	522	2.57			
12	(20) Shops and enginehouses	4,976	4,976	1.96			
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	176	185	3.96			
18	(26) Communications systems	1,568	1,491	4.17			
19	(27) Signals and interlockers	4,657	4,657	3.63			
20	(29) Power plants	10	10	1.40			
21	(31) Power transmission systems	359	358	3.60			
22	(35) Miscellaneous structures	176	176	4.03			
23	(37) Roadway machines	365	365	*			
24	(39) Public improvements—Construction	2,096	2,112	2.09	4	4	4.28
25	(44) Shop machinery	1,428	1,385	3.69			
26	(45) Power plant machinery	112	112	2.80			
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	46,722	46,684	1.62	45	45	1.08
	EQUIPMENT						
30	(52) Locomotives	28,655	35,035	3.76			
31	(53) Freight-train cars	68,227	67,952	4.05			
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	879	879	9.00			
36	(58) Miscellaneous equipment	41	30	14.00			
37	Total equipment	97,802	103,896	4.00			
38	GRAND TOTAL	144,524	150,580	XX XX	45	45	XX XX

*Ceased depreciation

ICC Sub-Order R-300-E effective 7-1-71 for rates on equipment.

211D. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 211F for the reserve relating to road and equipment owned but not used by the respondent.) If any entries are

made for "Other credits" or "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

2. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on line 28.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering	86	10		11		85
2	(2-1/2) Other right-of-way expenditures	84	2				86
3	(3) Grading	182	18		7		193
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	3,729	163		21		3,871
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	274	7				281
8	(16) Station and office buildings	598	79		58		619
9	(17) Roadway buildings	48	6				54
10	(18) Water stations	(32)	2				(30)
11	(19) Fuel stations	116	13		15		114
12	(20) Shops and enginehouses	1,087	98		1		1,184
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	33	7				40
18	(26) Communication systems	135	63		97		101
19	(27) Signals and interlockers	2,457	169				2,626
20	(29) Power plants	4					4
21	(31) Power-transmission systems	239	13				252
22	(35) Miscellaneous structures	99	7				106
23	(37) Roadway machines	346	*				346
24	(39) Public improvements—Construction	859	44		5		898
25	(44) Shop machinery*	145	52		37		160
26	(45) Power-plant machinery*	30	3				33
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	10,519	756		252		11,023
	EQUIPMENT						
30	(52) Locomotives	12,578	1,279		136		13,721
31	(53) Freight-train cars	14,031	2,764		269		16,526
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	14	79				93
36	(58) Miscellaneous equipment	22	5		12		15
37	Total equipment	26,645	4,127		417		30,355
38	GRAND TOTAL	37,164	4,883		669		41,378

*Chargeable to account 305.

* Ceased depreciation on roadway machines per letter of H. Neil Garson, Secretary January 30, 1970 Sub Order R-300-D1.

218. FUNDED DEBT AND OTHER OBLIGATIONS (Dollars in thousands)

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	INTEREST PROVISIONS		DOES OBLIGATION PROVIDE FOR - (Answer "Yes" or "No")			IS OTHER PROPERTY (REAL OR PERSONAL OR LEASEHOLD) SUBJECT TO LIEN OF THE OBLIGATION? (Answer "Yes" or "No")	APPROXIMATE NUMBER OF MILES OF LINE DIRECTLY SUBJECT TO—			
				Rate percent per annum (current year) (d)	Dates due (e)	Con- version (f)	Call prior to maturity, other than for sinking fund (g) (g)	Sinking fund (h)		SUBJECT TO LIEN			
										First lien (i)	Junior to first lien (j)	First lien (k)	Junior to first lien (l)
1	Accounts 764 and 765 - Funded Debt Unmatured												
2													
3	(1)(a) 1st Mtg Ser C Bonds	12-1-54	12-1-84	3-1/4	6 & 12	No	Yes	Yes	Yes		860		
4													
5	Accounts 764 and 766 - Equipment Obligations				4C Equipment Purchase Agreements								
6													
7	Chemical Bank	3-16-59	3-01-74	4-1/2	3 - 1	No	No	No	Yes				
8													
9	Chemical Bank	6-15-61	6-15-76	4-1/2	6 & 12	No	No	No	Yes				
10	Chemical Bank	6-15-61	6-15-76	4-1/2	6 & 12	No	No	No	Yes				
11													
12	Manufacturers Natl Bk	6-01-62	6-15-77	4-3/8	6 & 12	No	No	No	Yes				
13	Manufacturers Natl Bk	6-01-62	6-15-77	4-3/8	6 & 12	No	No	No	Yes				
14													
15	Chemical Bank	5-15-62	5-15-77	4-1/2	5 & 11	No	No	No	Yes				
16													
17	Chemical Bank	7-15-63	7-15-78	4.45	1 & 7	No	No	No	Yes				
18													
19	Chemical Bank	5-15-65	5-15-80	4.65	5 & 11	No	No	No	Yes				
20													
21	Chemical Bank	3-15-66	3-15-76	5-1/2	3 & 9	No	No	No	Yes				
22													
23	Chemical Bank	4-15-66	10-15-81	5-1/2	4 & 10	No	No	No	Yes				
24													
25	Chemical Bank	3-15-67	3-15-77	6-3/4	3 & 9	No	No	No	Yes				
26													
27	Chemical Bank	5-15-67	5-15-82	6-1/4	5 & 11	No	No	No	Yes				
28													
29	Chemical Bank	5-02-68	8-01-78	7-1/4	2 & 8	No	No	No	Yes				
30													
31	Chemical Bank	5-03-68	8-01-83	7	2 & 8	No	No	No	Yes				
32													
33	Chemical Bank	1-01-70	1-15-85	9-3/4	1 & 7	No	No	No	Yes				
34	(Principal starting 1-15-76)												
35													
36	Chemical Bank	1-01-72	2-01-87	6-1/2)	2 & 8	No	No	No	Yes				
37				7-5/8)									
38	United Missouri Bank	5-15-72	2-02-78	6-3/4	2 & 8	No	No	No	Yes				
39													
40	Chemical Bank	11-1-72	11-1-87	7-1/4)	5 & 11	No	No	No	Yes				
41				7-3/4)									
42	United Missouri Bank	3-01-73	8-15-78	8	2 & 8	No	No	No	Yes				
43													
44	Chemical Bank	3-15-73	5-15-88	7-1/4)	5 & 11	No	No	No	Yes				
45				7-3/4)									
46	Chemical Bank	1-15-74	2-15-89	8-1/4	2 & 8	No	No	No	Yes				
47													
48													
49													
50													
51	Grand Total									x x x	x x x	x x x	x x x

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Total amount nominally and actually issued (m)	AMOUNT NOMINALLY ISSUED AND—		Total amount actually issued (p)	AMOUNT REACQUIRED AND—		TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (n)	Canceled (o)		Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S") (q)	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (r)	Unmatured (accounts 765, 766, and 767) (s)	Unmatured (account 764) (t)	Matured and no provision made for payment (account 768) (u)	
\$	\$	\$	\$	\$	\$	\$	\$	\$	1
50,000			50,000	12,570	P 1,195	36,235	None		2
									3
									4
									5
2,876			2,876	2,876		None	None		6
527			527	527		None	None		7
2,108			2,108	1,899		33	176		8
3,431			3,431	2,859		343	229		9
1,166			1,166	981		107	78		10
2,130			2,130	1,704		284	142		11
5,932			5,932	4,351		1,186	395		12
4,350			4,350	2,610		1,450	290		13
8,650			8,650	7,352		433	865		14
4,440			4,440	2,368		1,776	296		15
8,090			8,090	5,663		1,618	809		16
4,097			4,097	1,912		1,912	273		17
5,255			5,255	3,153		1,576	526		18
4,413			4,413	1,765		2,354	294		19
10,148			10,148	None		10,148	None		20
5,151			5,151	687		4,121	343		21
2,144			2,144	570		1,161	413		22
3,426			3,426	457		2,741	228		23
2,710			2,710	542		1,626	542		24
6,055			6,055	605		5,046	404		25
6,570			6,570	219		5,913	438		26
93,669			93,669	43,100		43,828	6,741		27
143,669			143,669	55,670	1,195	80,063	6,741		28

218. FUNDED DEBT AND OTHER OBLIGATIONS--Continued

Line No.	Name and character of obligation (List on same lines and in same order as on page 56)	AMOUNT OF INTEREST ACCRUED DURING YEAR		Amount of interest paid during year	Total amount of interest in default
		Charged to income	Charged to investment accounts		
	(a)	(v)	(w)	(x)	(y)
		\$	\$	\$	\$
1					
2	The Kansas City Southern Railway Co.				
3	1st Mortgage, Series C, 3-1/4% Bonds	1,207		1,213	
4					
5	Equipment Purchase Agreements -				
6	Contract				
7	Chemical 3-16-59 21691	1		6	
8					
9	Chemical 6-15-61 22450	15		16	
10					
11	Manufacturers 6-01-62 22725	32		33	
12					
13	Manufacturers 6-01-62 22750	10		11	
14					
15	Chemical 5-15-62 22675	22		23	
16					
17	Chemical 7-15-63 22971-2-3	75		83	
18					
19	Chemical 5-15-65 23724	86		87	
20					
21	Chemical 3-15-66 24025	93		107	
22					
23	Chemical 4-15-66 24026	123		126	
24					
25	Chemical 3-15-67 24337	175		191	
26					
27	Chemical 5-15-67 24384	143		145	
28					
29	Chemical 5-02-68 24723	175		190	
30					
31	Chemical 5-03-68 24724	197		206	
32					
33	Chemical 1-01-70 25092	989		989	
34					
35	Chemical 1-01-72 25650	331		340	
36					
37	United Missouri 5-15-72 25734	115		126	
38					
39	Chemical 11-01-72 25820	240		243	
40					
41	United Missouri 3-01-73 25908	190		164	
42					
43	Chemical 3-15-73 25944	434		438	
44					
45	Chemical 1-15-74 26120	490		292	
46					
47	Total Purchase Agreements	3,936		3,816	
48					
49					
50					
51	Grand Total	5,143		5,029	

Road Initials

KCS

Year 1974

THE KANSAS CITY SOUTHERN RAILWAY COMPANY

218. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded

SECURITIES ISSUED OR ASSUMED DURING YEAR				SECURITIES REACQUIRED DURING YEAR		Line No.
Purpose of the issue and authority	Par value	Net proceeds received for issue (cash or its equivalent)	Expense of issuing securities	AMOUNT REACQUIRED		
				Par value	Purchase price	
(z)	(aa)	(bb)	(cc)	(dd)	(ee)	
	\$	\$	\$	\$	\$	1
		Acquired by Company)		1,195	722	2
1st Mortgage Bonds		Sinking Fund)		918	600	3
Acquisition Of Equipment						4
						5
3-16-59				132	132	6
						7
6-15-61				176	176	8
						9
6-01-62				229	229	10
						11
6-01-62				77	77	12
						13
5-15-62				142	142	14
						15
7-15-63				396	396	16
						17
5-15-65				290	290	18
						19
3-15-66				865	865	20
						21
4-15-66				296	296	22
						23
3-15-67				809	809	24
						25
5-15-67				273	273	26
						27
5-02-68				526	526	28
						29
5-03-68				294	294	30
						31
1-01-70				None	None	32
						33
1-01-72				343	343	34
						35
5-15-72				386	386	36
						37
11-01-72				228	228	38
						39
3-01-73				542	542	40
						41
3-15-73				404	404	42
						43
1-15-74	6,570	6,570	36	219	219	44
						45
	6,570	6,570	36	6,627	6,627	46
						47
						48
						49
						50
Grand Total	6,570	6,570	36	8,740	7,949	51

219. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in schedule 218, "Funded Debt and Other Obligations" (accounts Nos. 764, "Equipment obligations and other debt due within 1 year" and 766, "Equipment obligations") at the close of the year. In column (a) show the name by which the equipment obligation is designated and in column (b) show the classes of equipment and the number of units cov-

ered by the obligation. In column (c) show the contract price to the original debtor; in column (d) show the cash paid on acceptance of equipment by the original debtor; do not report the price paid on a subsequent sale and assumption of balance of debt.

(Dollars in thousands)

Line No.	Designation of equipment obligation (List names in the same order as in schedule 218)	Description of equipment covered	Contract price of equipment acquired	Cash paid on acceptance of equipment
	(a)	(b)	(c)	(d)
1	Chemical 3-16-59	250 Box Cars	\$ 1,751	\$
2		3 Diesel Locomotives	516	
3		10 Baggage Cars	609	
4			2,876	None
5	Chemical 6-15-61	200 Box Cars	2,643	8
6	Manuf. Natl. 6-01-62	150 Box Cars	2,076	23
7		100 Covered Hoppers	1,378	
8			3,454	23
9	Manuf. Natl. 6-01-62	100 Flat Cars	1,198	32
10	Chemical 5-15-62	10 2250 H.P. Diesel Locomotives	2,137	7
11	Chemical 7-15-63	100 Box Cars D.F. Hydroframe)		
12		100 Hopper Cars)	3,810	
13		10 2250 H.P. Diesel Locomotives	1,976	
14		10 Hopper Cars - Air Slide	146	
15			5,932	None
16	Chemical 5-15-65	100 Hopper Cars	1,663	
17		13 Chip Hopper Cars	154	
18		10 Passenger Coaches	1,916	
19		6 Baggage Cars	516	
20		4 Cabooses	101	
21			4,350	None
22	Chemical 3-15-66	730 Freight Cars	8,650	None
23	Chemical 4-15-66	14 3000 H.P. Road Locomotives	3,863)	
24		4 1500 H.P. Switch Locomotives	603)	26
25			4,466	26
26	Chemical 3-15-67	681 Freight Cars	7,838	
27		10 Cabooses	253	1
28			8,091	1
29	Chemical 5-15-67	250 Box Cars	4,097	None
30	Chemical 5-02-68	300 D.F. Box Cars	3,861	1
31		100 Gondola Cars	779	
32		50 Covered Hopper Cars	535	
33		12 Open Top Hopper Cars	81	
34			5,256	1
35	Chemical 5-03-68	14 1500 H.P. Switch Locomotives	2,152	
36		4 3000 H.P. Conv. Road Locomotives	1,073	
37		2 3000 H.P. Master Road Locomotives	595	
38		2 3000 H.P. Slave Road Locomotives	593	
39			4,413	None
40	Chemical 1-01-70	500 Box Cars	10,148	None
41	Chemical 1-01-72	10 3000 H.P. Road Locomotives	3,209	
42		10 1500 H.P. Switch Locomotives	1,942	
43			5,151	None
44	United Mo. 5-15-72	311 Freight Cars	2,144	None
45	Chemical 11-01-72	10 3000 H.P. Road Locomotives	3,426	None
46	United Mo. 3-01-73	330 Freight Cars	2,803	93
47	Chemical 3-15-73	300 Box Cars	6,055	None
48	Chemical 1-15-74	10 2000 H.P. Road Locomotives	2,812	
49		10 3000 H.P. Road Locomotives	3,758	
50			6,570	None

211G. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization reserve is provided in account No. 736, "Accrued amortization of defense projects—Road and Equipment" of the respondent. If the amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the

year and all credits and debits during the year in reserve account No. 736, "Accrued amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000 or more, or by single entries as "Total road" in line 22. If reported by projects, each project should be briefly described, stating

kind, location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained. (Dollars in thousands)

Line No.	Description of property or account (a)	BASE				RESERVE			
		Debits during year (b)	Credits during year (c)	Adjustments (d)	Balance at close of year (e)	Credits during year (f)	Debits during year (g)	Adjustments (h)	Balance at close of year (i)
1	ROAD: Certificate	\$	\$	\$	\$	\$	\$	\$	\$
2	KCS Ry. Number								
3	Leesville								
4	Yard Tracks WD 29641				19				19
5									
6	Block Signal NC 416				104				104
7									
8	Centralized Traffic								
9	Control				282				282
10									
11	11 Passing Tracks				38				38
12									
13	Minor items, each less								
14	than \$100,000				90				90
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD				533				533
22	EQUIPMENT:								
23	(52) Locomotives								
24	(53) Freight-train cars								
25	(54) Passenger-train cars								
26	(55) Highway revenue equipment								
27	(56) Floating equipment								
28	(57) Work equipment								
29	(58) Miscellaneous equipment								
30	TOTAL EQUIPMENT				None				None
	GRAND TOTAL				533				533

300. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies.

2. In column (d) show against the appropriate account the amount of income that is offset by deductions in other income accounts of respondent so far as they relate to companies the operations of which are covered by this operating report, the amount of such deductions or dispositions to be also shown against appropriate accounts. For example, road (A) operates road (B) under

lease for a rental of \$1,000,000, but road (A) owns 50 percent of the stock of road (B) on which it receives \$250,000 in dividends. The entries in column (d) should be: Account No. 513, "Dividend income," \$250,000; Account No. 542, "Rent for leased roads and equipment," \$250,000. Again, if road (C) has issued its own securities to acquire a part or all of the securities of road (D), a separately operated carrier, no entries should be made in column (d) by road (C) even though dividends or interest be received on such securities held by road (C). But if road (D) is a

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
	ORDINARY ITEMS	\$	\$	\$
	OPERATING INCOME			
	Railway Operating Income			
1	(501) Railway operating revenues (p. 73)	83,686	78,369	
2	(531) Railway operating expenses (p. 74)	63,656	58,977	
3	Net revenue from railway operations	20,030	19,392	
4	(532) Railway tax accruals (p. 86)	6,459	4,221	
5	(533) Provision for deferred taxes (p. 87)	1,110		
6	Railway operating income	12,461	15,171	
	Rent Income			
7	(503) Hire of freight cars and highway revenue equipment—			
	Credit balance (p. 90)			
8	(504) Rent from locomotives (p. 91)	89	33	
9	(505) Rent from passenger-train cars (p. 91)			
10	(506) Rent from floating equipment			
11	(507) Rent from work equipment	1		
12	(508) Joint facility rent income	772	745	
13	Total rent income	862	778	
	Rents Payable			
14	(536) Hire of freight cars and highway revenue equipment—			
	Debit balance (p. 90)	5,070	9,337	
15	(537) Rent for locomotives (p. 91)	455	404	
16	(538) Rent for passenger-train cars (p. 91)			
17	(539) Rent for floating equipment			
18	(540) Rent for work equipment	183	198	
19	(541) Joint facility rents	428	311	
20	Total rents payable	6,136	10,250	
21	Net rents (lines 13, 20)	(5,274)	(9,472)	
22	Net railway operating income (lines 6, 21)	7,187	5,699	
	Other Income			
23	(502) Revenues from miscellaneous operations (p. 53)			
24	(509) Income from lease of road and equipment (p. 88)			
25	(510) Miscellaneous rent income (p. 88)	198	201	
26	(511) Income from nonoperating property (p. 53)	178	160	
27	(512) Separately operated properties—Profit (p. 89)			
28	(513) Dividend income (from investments under cost only)	300	2,300	
29	(514) Interest income	291	381	
30	(516) Income from sinking and other reserve funds	33	57	
31	(517) Release of premiums on funded debt	20	16	
32	(518) Contributions from other companies			
33	(519) Miscellaneous income (p. 94)	(a1) 1,228	564	
34	Dividend income (from investments under equity only)	\$ None	x x x x	x x x x
35	Undistributed earnings (losses)	None	x x x x	x x x x
36	Equity in earnings (losses) of affiliated companies (lines 34, 35)			x x x x
37	Total other income	2,248	3,679	
38	Total income (lines 22, 37)	9,435	9,378	
	Miscellaneous Deductions From Income			
39	(534) Expenses of miscellaneous operations (p. 53)			
40	(535) Taxes on miscellaneous operating property (p. 53)			
41	(543) Miscellaneous rents (p. 93)	679	634	
42	(544) Miscellaneous tax accruals (p. 53)	9	6	
43	(545) Separately operated properties—Loss (p. 89)			

300. INCOME ACCOUNT FOR THE YEAR—Continued

"proprietary" company for which no separate operating report is rendered, appropriate entries in column (d) should be made by road (C). If a leased road is assigned to another company for operation, the rent paid should be offset by the rent received. The examples indicated should not be taken to exclude others of a similar nature.

3. Returns for the year reported on lines 1 to 22, inclusive, should be analyzed in columns (e) to (k) in accordance with the Commission's rules governing the separation of operating expenses between freight and passenger service; railroads.

4. Any unusual accruals involving substantial amounts included in column (b) on lines 7 to 54,

inclusive, should be fully explained in a footnote.

5. All contra entries hereunder should be indicated in parenthesis.
(Dollars in thousands)

6. Line 28 includes only dividends from investments accounted for under the cost method. Line 34 includes only dividends accounted for under the equity method. Line 35 includes the undistributed earnings from investments accounted for under the equity method. Line 36 represents the earnings (losses) of investee companies accounted for under the equity method.

RAIL-LINE, INCLUDING WATER TRANSFERS							Line No.
Related solely to freight service (e)	Apportioned to freight service (f)	Total freight service (g)	Related solely to passenger and allied services (h)	Apportioned to passenger and allied services (i)	Total passenger service (j)	Other items not related to either freight or to passenger and allied services (k)	
\$	\$	\$	\$	\$	\$	\$	
		83,686					1
		63,656					2
x x x x x	x x x x x	20,030	x x x x x	x x x x x			3
		6,459					4
		1,110					5
x x x x x	x x x x x	12,461	x x x x x	x x x x x			6
							7
		89					8
							9
							10
		1					11
		772					12
x x x x x	x x x x x	862	x x x x x	x x x x x			13
							14
		5,070					15
		455					16
							17
		183					18
		428					19
x x x x x	x x x x x	6,136	x x x x x	x x x x x			20
x x x x x	x x x x x	(5,274)	x x x x x	x x x x x			21
x x x x x	x x x x x	7,187	x x x x x	x x x x x			22

If this report is made for a system, list hereunder the names of all companies included in the system returns:

The Kansas City Southern Railway Company
The Maywood and Sugar Creek Railway Company

300. INCOME ACCOUNT FOR THE YEAR—Concluded

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
44	(549) Maintenance of investment organization	\$	\$	\$
45	(550) Income transferred to other companies			
46	(551) Miscellaneous income charges (p. 94)	446	143	
47	Total miscellaneous deductions	1,134	783	
48	Income available for fixed charges (lines 38, 47)	8,301	8,595	
	Fixed Charges			
49	(542) Rent for leased roads and equipment (p. 92)	163	167	
	(546) Interest on funded debt:			
50	(a) Fixed interest not in default	5,143	4,768	
51	(b) Interest in default			
52	(547) Interest on unfunded debt			
53	(548) Amortization of discount on funded debt	14	10	
54	Total fixed charges	5,320	4,945	
55	Income after fixed charges (lines 49, 54)	2,981	3,650	
	Other Deductions			
	(546) Interest on funded debt:			
56	(c) Contingent interest			
57	Ordinary income (lines 55, 56)	2,981	3,650	
	EXTRAORDINARY AND PRIOR PERIOD ITEMS			
58	(570) Extraordinary items - Net Credit (Debit) (p. 94)			
59	(580) Prior period items - Net Credit (Debit) (p. 94)		(782)	
60	(590) Income taxes on extraordinary and prior period items - Debit (Credit) (p. 94)			
61	(591) Provision for deferred taxes - Extraordinary and prior period items (p. 87)			
62	Total extraordinary and prior period items - Credit (Debit)		(782)	
63	Net income transferred to Retained Income - Unappropriated (lines 57, 62)	2,981	2,868	

NOTE.—See page 19 for explanatory notes, which are an integral part of the Income Account for the Year.

In accordance with Docket No. 34178 (Sub-No. 2), show below the effect of deferred taxes on prior years net income as reported in annual reports to the Commission. Debit amounts in columns (b) and (d), and credit amounts in column (c) should be indicated by parentheses.

(Dollars in thousands)

Year	Net income as reported	Provision for deferred taxes	Adjusted net income
(a)	(b)	(c)	(d)
1973	\$ 2,867	\$ 1,200	\$ 1,667
1972	7,179	500	6,679
1971	2,028	1,470	558

305. RETAINED INCOME - UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in un-

distributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 2 (line 6 if debit balance), column (c), should agree with line 36, column (b), schedule 300. The total of columns (b) and (c), lines 2 and 6, should agree with line 63, column (b), schedule 300.

6. Include in column (b) only amounts applicable to retained income exclusive of any amounts included in column (c). (Dollars in Thousands)

Line No.	Item (a)	Amount (b)	Amount (c)
1	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at beginning of year*	\$ 24,550	\$
	CREDITS		
2	(602) Credit balance transferred from income	2,981	
3	(606) Other credits to retained income	600	
4	(622) Appropriations released	3,581	
5	Total		
	DEBITS		
6	(612) Debit balance transferred from income	17,831	
7	(616) Other debits to retained income	600	
8	(620) Appropriations for sinking and other reserve funds		
9	(621) Appropriations for other purposes		
10	(623) Dividends (p. 20)	18,431	
11	Total		
12	Net increase (decrease) during year*		
13	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at end of year*		x x x x x
14	Balance from line 13 (c)*		
15	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year*	9,700	x x x x x
	Remarks		
	Amount of assigned Federal income tax consequences:		x x x x x
16	Account 606		x x x x x
17	Account 616		x x x x x

*Amount in parentheses indicates debit balance.

Note: See p. 94, schedule 396, for analysis for Retained Income Accounts.

308. DIVIDEND APPROPRIATIONS

1. Give particulars of each dividend declared. For par value or nonpar stock, show in column (d) the respective total par value or total number of shares on which dividend was declared and the corresponding rate percent or per share in column (b) or (c). If any such dividend was payable in anything other than cash, explain the matter fully in a footnote.

2. If an obligation of any character has been incurred for the purpose of procuring funds for the payment of any dividend or for the purpose of

replenishing the treasury of the respondent after payment of any dividend, give full particulars in a footnote. If any class of stock received a return not reportable in this schedule, state the particulars of the case in a footnote.

3. The sum of the dividends stated in column (e) should equal the amount shown in schedule No. 305.

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)	DATES	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
1				\$	\$		
2							
3							
4							
5							
6							
7	NONE				NONE		
8							
9							
10							
11							
12							
13				Total			

228. CAPITAL STOCK

Give particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.

In the second section list particulars of the various issues on the same lines and in the same order as in the first section.

Identify the entries in columns (m) to (s), inclusive, in a manner which will indicate whether par value or the number of shares is shown.

In stating the date of an authorization the date of the latest assent or ratification necessary to its validity should be shown; e. g., in case an authorization is required to be ratified by stockholders after action by the board of directors, but is not required to be approved by any State or other governmental board or officer, give the date of approval by stockholders; if the assent of

a State railroad commission or other public board or officer is necessary, give the date of such assent, or if subsequent to such assent notice has to be filed with a secretary of state or other public officer and a tax or other fee has to be paid as a condition precedent to the validity of the issue, give the date of such payment. In case some condition precedent has to be complied with after the approval and ratification of the stockholders has been obtained, state, in a footnote, the particulars of such condition and of the respondent's compliance therewith.

For the purposes of this report, capital stock and other securities are considered to be *nominally issued* when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be *actually is-*

sued when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. If reacquired by or for the respondent under such circumstances as require them to be considered as held alive, and not canceled or retired, they are considered to be *nominally outstanding*.

Column (d) refers to the initial preference dividend payable before any common dividend; columns (k) and (l) to participations in excess of initial preference dividend; at a specified percentage or amount (nonpar stock) (column (k)) or a percentage or proportion of the profits (column (l)).

(Dollars in thousands)

Line No.	Class of stock (a)	Date issue was authorized (b)	Par value per share (if non-par, so state) (c)	PREFERRED STOCK								Other Provisions of Contract	
				Dividend rate specified in contract (d)	Total amount of accumulated dividends (e)	Cumulative		Noncumulative ("Yes" or "No") (h)	Convertible ("Yes" or "No") (i)	Callable or redeemable ("Yes" or "No") (j)	Participating Dividends		
						To extent earned ("Yes" or "No") (f)	Fixed \$ rate or percent specified by contract (g)				Fixed amount or percent (Specify) (k)	Fixed ratio with common (Specify) (l)	
1	Common	5-22-39 4-11-53	\$ Non-Par	x x x x x	\$ x x x x x	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x	
2				x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x	
3				x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x	
4				x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x	
5	Preferred	3-19 1900	50	None	None	No	None	Yes	No	No	None	None	
6													
7													
8	Debenture												
9	Receipts outstanding for installments paid*												
10	TOTAL	x x x x	x x x x	x x x x x	None	x x x x x	x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x	

Line No.	PAR VALUE OF PAR-VALUE STOCK OR NUMBER OF SHARES OF NONPAR STOCK							STOCK ACTUALLY OUTSTANDING AT CLOSE OF YEAR		
	Authorized (m)	Authenticated (n)	Nominally Issued and		Actually issued (q)	Reacquired and		Number of shares (t)	Par value of par-value stock (u)	Book value of stock without par value (v)
			Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P") (o)	Canceled (p)		Canceled (r)	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P") (s)			
1	SH 1,260,000	SH 1,260,000	None	None	SH 1,020,000	None	SH 802	1,019,198	\$	\$ 35,960
2										
3										
4										
5	\$ 21,000	\$ 21,000			\$ 21,000			420,000	21,000	
6										
7										
8										
9										
10	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	x x x x x x	1,439,198	21,000	35,960

*State the class of capital stock covered by the receipts.

101. IDENTITY OF RESPONDENT

Answers to the questions asked should be made in full, without reference to data returned on the corresponding page of previous reports. In case any changes of the nature referred to under inquiry 4 or 5 on this page have taken place during the year covered by this report, they should be explained in detail on page 101.

1. Give in full the exact name of the respondent. Use the words "The" and "Company" only when they are parts of the corporate name. Be careful to distinguish between railroad and railway. The corporate name should be given uniformly throughout the report, notably on the cover, on the title page, and in the "Verification" (p. 134). If the report is made by receivers, trustees, a committee of bondholders, or individuals otherwise in possession of the property, state names and facts with precision.

2. If incorporated under a special charter, give date of passage of the act; if under a general law, give date of filing certificate of organization; if a reorganization has been effected, give date of reorganization. If a receivership or other trust, give also date when such receivership or

other possession began. If a partnership, give date of formation and also names in full of present partners.

3. Give specific reference to laws of each State or Territory under which organized, citing chapter and section. Include all grants of corporate powers by the United States, or by Canada or other foreign country; also, all amendments to charter.

4. Give specific reference to special or general laws under which each consolidation or merger or combination of other form was effected, citing chapter and section. Specify Government, State, or Territory under the laws of which each company consolidated or merged or otherwise combined into the present company was organized; give reference to the charters of each and to all amendments of them.

5. State the occasion for the reorganization, whether by reason of foreclosure of mortgage or otherwise, according to the fact. Give date of organization of original corporation and refer to laws under which organized.

1. Exact name of common carrier making this report Louisiana & Arkansas Railway Company

2. Date of incorporation July 7, 1928

3. Under laws of what Government, State, or Territory organized? If more than one, name all. Give specific reference to each charter or statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees

General Corporation Laws of State of Delaware, Chapter 65 of Revised Code of Delaware and Acts amendatory thereof and supplements thereto, Chapter dated July 28, 1928 and Amendments dated August 27, 1936.

4. If the respondent was formed as the result of a consolidation or merger during the year, name all constituent and all merged companies

No Change During Year

5. If respondent was reorganized during the year, give name of original corporation and state the occasion for the reorganization

No Change During Year

6. State whether or not the respondent during the year conducted any part of its business under a name or names other than that shown in response to inquiry No. 1, above; if so, give full particulars

No

7. Class of switching and terminal company

[See section No. 7 on inside of front cover]

Not Applicable

Road Initials: L&A

Year: 1974 LOUISIANA & ARKANSAS RAILWAY COMPANY

102. DIRECTORS

1. Give particulars of the various directors and officers of the respondent at the close of the year.

2. State in column (e) of schedule No. 102 and column (d) of schedule No. 103, the number of voting shares of the respondent, other than directors' qualifying shares, that were beneficially owned, directly or indirectly, by each director or principal general officer at the close of the year. This includes shares owned of record, shares owned through holding companies, trusts or other mediums, and shares owned but held in the names of brokers or other nominees. Insert the word "None" where applicable.

3. In schedule No. 103 give the title, name, and address of the principal general officers having system jurisdiction by departments, as follows: Executive, Legal, Fiscal and Accounting, Purchasing, Operating, and Traffic. If there are receivers, trustees, or committees, who are recognized as in the controlling management of the road or of some department of it, give also their names and titles, and the location of their offices, separately grouped and identified.

4. If the duties of an officer extend to more than one department, or if his duties are not in accordance with the customary acceptance of his given title, state briefly the facts in a footnote.

Line No.	Name of director (a)	Office address (b)	Date of beginning of term (c)	Date of expiration of term (d)	Number of voting shares actually or beneficially owned (e)	Remarks (f)
1	W. N. Deramus III	Kansas City, Mo.	6-21-74	6-10-75	None	
2	J. Pat Beaird	Shreveport, La.	"	"	"	
3	T. S. Carter	Kansas City, Mo.	"	"	"	
4	Kirke Couch	Shreveport, La.	"	"	"	
5	Edward M. Douthat	Kansas City, Mo.	"	"	"	
6	Raymond Gary	Madill, Okla.	"	"	"	
7	John Hawkinson	Chicago, Ill.	"	"	"	
8	I. O. Hockaday, Jr.	Kansas City, Mo.	"	"	"	
9	G. William James	Ruston, La.	"	"	"	
10	Edward T. McNally	Pittsburg, Ks.	"	"	"	
11	Edwin Moore	Shreveport, La.	"	"	"	
12	H. L. Oppenheimer	Kansas City, Mo.	"	"	"	
13	J. R. Querbes, Jr.	Shreveport, La.	"	"	"	
14	W. H. Saunders, Jr.	New Orleans, La.	"	"	"	
15	N. H. Wheless, Jr.	Shreveport, La.	"	"	"	
16						
17						
18						
19						
20						

21. Give the names and titles of all officers of the Board of Directors in control of the respondent at the close of the year:

Chairman of board William N. Deramus III Secretary (or clerk) of board G. E. Kellogg

22. Name the members of the executive committee of the Board of Directors of the respondent at the close of the year (naming first the chairman), and state briefly the powers and duties of that committee: William N. Deramus III, Chairman,

J. Pat Beaird, Thomas S. Carter, Edward M. Douthat, John Hawkinson, Irvine O. Hockaday, Jr., Edward T. McNally, exercise same power as Board of Directors when latter is not in session.

103. PRINCIPAL GENERAL OFFICERS OF CORPORATION, RECEIVER, OR TRUSTEE

Line No.	Title of general officer (a)	Department or departments over which jurisdiction is exercised (b)	Name of person holding office at close of year (c)	Number of voting shares actually or beneficially owned (d)	Office address (e)
1	Chairman and Chief				
2	Executive Officer	Executive	W. N. Deramus III	None	Kansas City, Mo.
3	President and Chief				
4	Operating Officer	Executive	T. S. Carter	"	Kansas City, Mo.
5	Vice President				
6	Executive Dept.	Executive	M. F. McClain	"	Kansas City, Mo.
7	Vice President and				
8	General Manager	Operating	R. J. Blair	"	Kansas City, Mo.
9	Vice President	Personnel	D. E. Farrar	"	Kansas City, Mo.
10	Vice President and				
11	Secretary	Executive	G. E. Kellogg	"	Kansas City, Mo.
12	Vice President and				
13	Comptroller	Accounting	T. A. Giltner	"	Kansas City, Mo.
14	Vice President	Traffic	L. J. Tamisiea	"	Kansas City, Mo.
15	General Counsel				
16	and Asst. Secretary	Legal	R. E. Zimmerman	"	Kansas City, Mo.
17	Treasurer	Treasurer	V. C. Pragman	"	Kansas City, Mo.
18	Asst. General				
19	Manager	Purchases	T. T. Souter	"	Kansas City, Mo.
20					

109. VOTING POWERS AND ELECTIONS

No

1. State the par value of each share of stock: Common, \$ Par per share; first preferred, \$ 50 per share; second preferred, \$ 50 per share; debenture stock, \$ _____ per share.

2. State whether or not each share of stock has the right to one vote; if not, give full particulars in a footnote It has

3. Are voting rights proportional to holdings? Yes If not, state in a footnote the relation between holdings and corresponding voting rights.

4. Are voting rights attached to any securities other than stock? No If so, name in a footnote each security, other than stock to which voting rights are attached (as of the close of the year), and state in detail the relation between holdings and corresponding voting rights, stating whether voting rights are actual or contingent, and if contingent showing the contingency.

5. Has any class or issue of securities any special privileges in the election of directors, trustees, or managers, or in the determination of corporate action by any method? No If so, describe fully in a footnote each such class or issue and give a succinct statement showing clearly the character and extent of such privileges.

6. Give the date of the latest closing of the stock book prior to the actual filing of this report, and state the purpose of such closing _____

Not Closed During Year

7. State the total voting power of all security holders of the respondent at the date of such closing, if within one year of the date of such filing; if not, state as of the close of the year. 260,000 votes, as of December 31, 1974

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. One stockholders.

9. Give the names of the thirty security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 13, the names and addresses of the thirty largest holders of the voting trust certificates and the amount of their individual holdings. *If the stock book was not closed or the list of stockholders compiled within such year, show such thirty security holders as of the close of the year.*

List under Footnotes, page 9, Other Securities with Voting Power.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED		
				Stocks		
				Common	PREFERRED	
	(a)	(b)	(c)	(d)	Second (e)	First (f)
1	The Kansas City Southern					
2	Railway Company	Kansas City, Mo.	260,000	160,000	40,000	60,000
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
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20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						

109. VOTING POWERS AND ELECTIONS—(Continued From Page 8)

10. State the total number of votes cast at the latest general meeting for the election of directors of the respondent. 260,000
votes cast.
11. Give the date of such meeting. June 21, 1974
12. Give the place of such meeting. Shreveport, La.

NOTES AND REMARKS

211G. AMORTIZATION OF DEFENSE PROJECTS—ROAD AND EQUIPMENT OWNED AND LEASED FROM OTHERS

1. Show in columns (b) to (e) the amount of base of road and equipment property for which amortization reserve is provided in account No. 736, "Accrued amortization of defense projects—Road and Equipment" of the respondent. If the amortization base is other than the ledger value stated in the investment account, a full explanation should be given.

2. Show in columns (f) to (i) the balance at the close of the

year and all credits and debits during the year in reserve account No. 736, "Accrued amortization of defense projects—Road and Equipment."

3. The information requested for "Road" by columns (b) through (i) may be shown by projects amounting to \$100,000 or more, or by single entries as "Total road" in line 22. If reported by projects, each project should be briefly described, stating

kind, location, and authorization date and number. Projects amounting to less than \$100,000 should be combined in a single entry designated "Minor items, each less than \$100,000."

4. Any amounts included in columns (b) and (f), and in column (h) affecting operating expenses, should be fully explained. (Dollars in thousands)

Line No.	Description of property or account (a)	BASE				RESERVE			
		Debits during year (b)	Credits during year (c)	Adjustments (d)	Balance at close of year (e)	Credits during year (f)	Debits during year (g)	Adjustments (h)	Balance at close of year (i)
	ROAD:	\$	\$	\$	\$	\$	\$	\$	\$
1									
2									
3									
4	Minor Items, each								
5	less than \$100,000				15				15
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD				15				15
	EQUIPMENT:								
22	(52) Locomotives								
23	(53) Freight-train cars				3				3
24	(54) Passenger-train cars								
25	(55) Highway revenue equipment								
26	(56) Floating equipment								
27	(57) Work equipment								
28	(58) Miscellaneous equipment								
29	TOTAL EQUIPMENT				3				3
30	GRAND TOTAL				18				18

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	CURRENT ASSETS			
1	(701) Cash		\$ 277	\$ 824
2	(702) Temporary cash investments (p. 23)		1,875	2,447
3	(703) Special deposits (p. 23)			
4	(704) Loans and notes receivable (p. 23)			
5	(705) Traffic, car service and other balances-Dr.			
6	(706) Net balance receivable from agents and conductors		910	2,139
7	(707) Miscellaneous accounts receivable		408	383
8	(708) Interest and dividends receivable		24	47
9	(709) Accrued accounts receivable (p. 23)		2,700	2,220
10	(710) Working fund advances		11	11
11	(711) Prepayments (p. 23)		253	323
12	(712) Material and supplies			
13	(713) Other current assets (p. 23)		27	22
14	(714) Deferred income tax charges (p. 87)			
15	Total current assets		6,478	8,416
	SPECIAL FUNDS			
		(a1) Total book assets at close of year	(a2) Respondent's own issues included in (a1)	
16	(715) Sinking funds (pp. 24 and 25)			
17	(716) Capital and other reserve funds (pp. 24 and 25)	168	None	168
18	(717) Insurance and other funds (pp. 24 and 25)			
19	Total special funds	168	None	168
	INVESTMENTS			
20	(721) Investments in affiliated companies (pp. 28-31)		10,093	10,822
21	Undistributed earnings from certain investments in account 721 (pp. 35A and 35B)			
22	(722) Other investments (pp. 32-35)		3	3
23	(723) Reserve for adjustment of investment in securities—Credit (p. 27, Instruction 9)			
24	Total investments (accounts 721, 722 and 723)		10,096	10,825
	PROPERTIES			
25	(731) Road and equipment property: Road		38,097	38,037
26	Equipment		24,524	25,816
27	General expenditures		761	761
28	Other elements of investment			
29	Construction work in progress		2,101	1,462
30	Total (pp. 38-41)		65,483	66,076
31	(732) Improvements on leased property: Road			
32	Equipment			
33	General expenditures			
34	Total (pp. 38-41)			
35	Total transportation property (accounts 731 and 732)		65,483	66,076
36	(735) Accrued depreciation—Road and equipment (pp. 44 and 46)		(10,123)	(9,660)
37	(736) Amortization of defense projects—Road and Equipment (p. 47)		(18)	(18)
38	Recorded depreciation and amortization (accounts 735 and 736)		(10,141)	(9,678)
39	Total transportation property less recorded depreciation and amortization (line 33 less line 36)		55,342	56,398
40	(737) Miscellaneous physical property (pp. 52 and 53)		234	233
41	(738) Accrued depreciation - Miscellaneous physical property (pp. 52 and 53)		(9)	(5)
42	Miscellaneous physical property less recorded depreciation (account 737 less 738)		225	228
43	Total properties less recorded depreciation and amortization (line 37 plus line 40)		55,567	56,626
	OTHER ASSETS AND DEFERRED CHARGES			
44	(741) Other assets (p. 54)		7	61
45	(742) Unamortized discount on long-term debt		1	4
46	(743) Other deferred charges (p. 54)		1,604	1,524
47	(744) Accumulated deferred income tax charges (p. 87)			
48	Total other assets and deferred charges		1,612	1,589
49	TOTAL ASSETS		73,921	77,457

NOTE.—See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200 COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in

column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parentheses.

Line No	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES				
50	(751) Loans and notes payable (p. 63)		\$ 190	\$ 460
51	(752) Traffic, car service and other balances—Cr.		(1,315)	(1,044)
52	(753) Audited accounts and wages payable		2	
53	(754) Miscellaneous accounts payable		3	3
54	(755) Interest matured unpaid		75	75
55	(756) Dividends matured unpaid		16	27
56	(757) Unmatured interest accrued			
57	(758) Unmatured dividends declared		2,428	2,898
58	(759) Accrued accounts payable (p. 63)		348	(280)
59	(760) Federal income taxes accrued (p. 64)		173	102
60	(761) Other taxes accrued (p. 64)			
61	(762) Deferred income tax credits (p. 87)		1,547	2,846
62	(763) Other current liabilities (p. 63)		3,467	5,087
63	Total current liabilities (exclusive of long-term debt due within one year)			
LONG-TERM DEBT DUE WITHIN ONE YEAR				
		(a1) Total issued	(a2) Held by or for respondent	
64	(764) Equipment obligations and other debt (pp. 56-59)	967	None	967
LONG-TERM DEBT DUE AFTER ONE YEAR				
		(a1) Total issued	(a2) Held by or for respondent	
65	(765) Funded debt unmatured	758	None	1,725
66	(766) Equipment obligations			
67	(767) Receivers' and Trustees' securities			
68	(768) Debt in default			
69	(769) Amounts payable to affiliated companies (p. 62)			
70	Total long-term debt due after one year			1,725
RESERVES				
71	(771) Pension and welfare reserves (p. 65)			
72	(772) Insurance reserves (p. 65)			
73	(774) Casualty and other reserves (p. 65)			
74	Total reserves			1,491
OTHER LIABILITIES AND DEFERRED CREDITS				
75	(781) Interest in default (p. 58)		112	125
76	(782) Other liabilities (p. 65)			
77	(783) Unamortized premium on long-term debt		522	416
78	(784) Other deferred credits (p. 65)			
79	(785) Accrued depreciation—Leased property (p. 45)		7,617	
80	(786) Accumulated deferred income tax credits (p. 87)		8,251	541
81	Total other liabilities and deferred credits			
SHAREHOLDERS' EQUITY				
	Capital stock (Par or stated value)	(a1) Total issued	(a2) Held by or for company	
82	(791) Capital stock issued: Common stock (p. 67)	4,000	None	4,000
83	Preferred stock (p. 67)	5,000	None	5,000
84	Total	9,000	None	9,000
85	(792) Stock liability for conversion (p. 68)			
86	(793) Discount on capital stock			
87	Total capital stock			9,000
Capital surplus				
88	(794) Premiums and assessments on capital stock (p. 69)			
89	(795) Paid-in surplus (p. 69)			267
90	(796) Other capital surplus (p. 69)			
91	Total capital surplus			267
Retained income				
92	(797) Retained income—Appropriated (p. 69)			
93	(798) Retained income—Unappropriated (p. 20)			
94	Total retained income			58,379
95	Total shareholders' equity			67,646
96	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			77,457

NOTE: See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

300. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies.

2. In column (d) show against the appropriate account the amount of income that is offset by deductions in other income accounts of respondent so far as they relate to companies the operations of which are covered by this operating report, the amount of such deductions or dispositions to be also shown against appropriate accounts. For example, road (A) operates road (B) under

lease for a rental of \$1,000,000, but road (A) owns 50 percent of the stock of road (B) on which it receives \$250,000 in dividends. The entries in column (d) should be: Account No. 513, "Dividend income," \$250,000; Account No. 542, "Rent for leased roads and equipment," \$250,000. Again, if road (C) has issued its own securities to acquire a part or all of the securities of road (D), a separately operated carrier, no entries should be made in column (d) by road (C) even though dividends or interest be received on such securities held by road (C). But if road (D) is a

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
	ORDINARY ITEMS	\$	\$	\$
	OPERATING INCOME			
	Railway Operating Income			
1	(501) Railway operating revenues (p. 73)	48,171	42,310	
2	(531) Railway operating expenses (p. 74)	35,946	34,088	
3	Net revenue from railway operations	12,225	8,222	
4	(532) Railway tax accruals (p. 86)	3,811	2,396	
5	(533) Provision for deferred taxes (p. 87)	(130)		
6	Railway operating income	8,544	5,826	
	Rent Income			
7	(503) Hire of freight cars and highway revenue equipment—			
	Credit balance (p. 90)			
8	(504) Rent from locomotives (p. 91)	52	12	
9	(505) Rent from passenger-train cars (p. 91)			
10	(506) Rent from floating equipment			
11	(507) Rent from work equipment			
12	(508) Joint facility rent income	78	79	
13	Total rent income	130	91	
	Rents Payable			
14	(536) Hire of freight cars and highway revenue equipment—			
	Debit balance (p. 90)	6,743	5,310	
15	(537) Rent for locomotives (p. 91)	259	245	
16	(538) Rent for passenger-train cars (p. 91)			
17	(539) Rent for floating equipment			
18	(540) Rent for work equipment	33	60	
19	(541) Joint facility rents	954	874	
20	Total rents payable	7,989	6,489	
21	Net rents (lines 13, 20)	(7,859)	(6,398)	
22	Net railway operating income (lines 6, 21)	685	(572)	
	Other Income			
23	(502) Revenues from miscellaneous operations (p. 53)			
24	(509) Income from lease of road and equipment (p. 88)			
25	(510) Miscellaneous rent income (p. 88)	163	161	
26	(511) Income from nonoperating property (p. 53)	3	2	
27	(512) Separately operated properties—Profit (p. 89)			
28	(513) Dividend income (from investments under cost only)	48	156	
29	(514) Interest income	165	326	
30	(516) Income from sinking and other reserve funds			
31	(517) Release of premiums on funded debt			
32	(518) Contributions from other companies			
33	(519) Miscellaneous income (p. 94)	16	43	
34	Dividend income (from investments under equity only)	\$ None	x x x x	x x x x
35	Undistributed earnings (losses)	None	x x x x	x x x x
36	Equity in earnings (losses) of affiliated companies (lines 34, 35)			x x x x
37	Total other income	395	688	
38	Total income (lines 22, 37)	1,080	116	
	Miscellaneous Deductions From Income			
39	(534) Expenses of miscellaneous operations (p. 53)			
40	(535) Taxes on miscellaneous operating property (p. 53)			
41	(543) Miscellaneous rents (p. 93)	324	311	
42	(544) Miscellaneous tax accruals (p. 53)			
43	(545) Separately operated properties—Loss (p. 89)			

300. INCOME ACCOUNT FOR THE YEAR—Continued

"proprietary" company for which no separate operating report is rendered, appropriate entries in column (d) should be made by road (C). If a leased road is assigned to another company for operation, the rent paid should be offset by the rent received. The examples indicated should not be taken to exclude others of a similar nature.

3. Returns for the year reported on lines 1 to 22, inclusive, should be analyzed in columns (e) to (k) in accordance with the Commission's rules governing the separation of operating expenses between freight and passenger service; railroads.

4. Any unusual accruals involving substantial amounts included in column (b) on lines 7 to 54,

inclusive, should be fully explained in a footnote.

5. All contra entries hereunder should be indicated in parenthesis.
(Dollars in thousands)

6. Line 28 includes only dividends from investments accounted for under the cost method. Line 34 includes only dividends accounted for under the equity method. Line 35 includes the undistributed earnings from investments accounted for under the equity method. Line 36 represents the earnings (losses) of investee companies accounted for under the equity method.

RAIL-LINE, INCLUDING WATER TRANSFERS							Other items not related to either freight or to passenger and allied services (k)	Line No.
Related solely to freight service (e)	Apportioned to freight service (f)	Total freight service (g)	Related solely to passenger and allied services (h)	Apportioned to passenger and allied services (i)	Total passenger service (j)			
\$	\$	\$	\$	\$	\$	\$		
		48,171						1
		35,946						2
x x x x x	x x x x x	12,225	x x x x x	x x x x x				3
		3,811						4
		(130)						5
x x x x x	x x x x x	8,544	x x x x x	x x x x x				6
								7
		52						8
								9
								10
		78						11
x x x x x	x x x x x	130	x x x x x	x x x x x				12
								13
		6,743						14
		259						15
								16
								17
		33						18
		954						19
x x x x x	x x x x x	7,989	x x x x x	x x x x x				20
x x x x x	x x x x x	(7,859)	x x x x x	x x x x x				21
x x x x x	x x x x x	685	x x x x x	x x x x x				22

If this report is made for a system, list hereunder the names of all companies included in the system returns:

300. INCOME ACCOUNT FOR THE YEAR—Concluded

Line No.	Item (a)	Amount for current year (b)	Amount for preceding year (c)	Offsetting debits and credits for current year (d)
44	(549) Maintenance of investment organization	\$	\$	\$
45	(550) Income transferred to other companies			
46	(551) Miscellaneous income charges (p. 94)	55	50	
47	Total miscellaneous deductions	379	361	
48	Income available for fixed charges (lines 38, 47)	701	(245)	
	Fixed Charges			
49	(542) Rent for leased roads and equipment (p. 92)	69	69	
	(546) Interest on funded debt:			
50	(a) Fixed interest not in default	91	136	
51	(b) Interest in default			
52	(547) Interest on unfunded debt			
53	(548) Amortization of discount on funded debt	3	3	
54	Total fixed charges	163	208	
55	Income after fixed charges (lines 49, 54)	538	(453)	
	Other Deductions			
	(546) Interest on funded debt:			
56	(c) Contingent interest			
57	Ordinary income (lines 55, 56)	538	(453)	
	EXTRAORDINARY AND PRIOR PERIOD ITEMS			
58	(570) Extraordinary items - Net Credit (Debit) (p. 94)			
59	(580) Prior period items - Net Credit (Debit) (p. 94)			
60	(590) Income taxes on extraordinary and prior period items - Debit (Credit) (p. 94)			
61	(591) Provision for deferred taxes - Extraordinary and prior period items (p. 87)			
62	Total extraordinary and prior period items - Credit (Debit)			
63	Net income transferred to Retained Income - Unappropriated (lines 57, 62)	538	(453)	

NOTE.—See page 19 for explanatory notes, which are an integral part of the Income Account for the Year.

In accordance with Docket No. 34178 (Sub-No. 2), show below the effect of deferred taxes on prior years net income as reported in annual reports to the Commission. Debit amounts in columns (b) and (d), and credit amounts in column (c) should be indicated by parentheses.

(Dollars in thousands)

Year	Net income as reported	Provision for deferred taxes	Adjusted net income
(a)	(b)	(c)	(d)
1973	\$(453)	\$(310)	\$(763)
1972	2,230	(160)	2,070
1971	2,910	(80)	2,830

305. RETAINED INCOME - UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.
2. All contra entries hereunder should be indicated in parentheses.
3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.
4. Segregate in column (c) all amounts applicable to the equity in un-

distributed earnings (losses) of affiliated companies based on the equity method of accounting

5. Line 2 (line 6 if debit balance), column (c), should agree with line 36, column (b), schedule 300. The total of columns (b) and (c), lines 2 and 6, should agree with line 63, column (b), schedule 300.

6. Include in column (b) only amounts applicable to retained income exclusive of any amounts included in column (c). (Dollars in Thousands)

Line No.	Item (a)	Amount (b)	Amount (c)
1	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at beginning of year*	\$ 58,379	\$
	CREDITS		
2	(602) Credit balance transferred from income	538	
3	(606) Other credits to retained income		
4	(622) Appropriations released	538	
5	Total		
	DEBITS		
6	(612) Debit balance transferred from income	7,747	
7	(616) Other debits to retained income		
8	(620) Appropriations for sinking and other reserve funds		
9	(621) Appropriations for other purposes	300	
10	(623) Dividends (p. 20)	8,047	
11	Total		
12	Net increase (decrease) during year*		
13	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at end of year*	(7,509)	x x x x x
14	Balance from line 13 (c)*		
15	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year*	50,870	x x x x x
	Remarks		
	Amount of assigned Federal income tax consequences:		x x x x x
16	Account 606		x x x x x
17	Account 616		

*Amount in parentheses indicates debit balance.

Note: See p. 94, schedule 396, for analysis for Retained Income Accounts.

308. DIVIDEND APPROPRIATIONS

1. Give particulars of each dividend declared. For par value or nonpar stock, show in column (d) the respective total par value or total number of shares on which dividend was declared and the corresponding rate percent or per share in column (b) or (c). If any such dividend was payable in anything other than cash, explain the matter fully in a footnote.
2. If an obligation of any character has been incurred for the purpose of procuring funds for the payment of any dividend or for the purpose of

replenishing the treasury of the respondent after payment of any dividend, give full particulars in a footnote. If any class of stock received a return not reportable in this schedule, state the particulars of the case in a footnote.

3. The sum of the dividends stated in column (e) should equal the amount shown in schedule No. 305.

Line No.	Name of security on which dividend was declared (a)	Rate percent (par value stock) or rate per share (nonpar stock)		Total par value of stock or total number of shares of nonpar stock on which dividend was declared (d)	Dividends (account 623) (e)	DATES	
		Regular (b)	Extra (c)			Declared (f)	Payable (g)
1	Preferred Stock	1-1/2%		2,000	30	6-12-73	4-1-74
2	" "	1-1/2%		2,000	30	6-21-74	7-1-74
3	" "	1-1/2%		2,000	30	6-21-74	10-1-74
4	" "	1-1/2%		2,000	30	6-21-74	1-1-75
5	Prior Pref. Stock	1-1/2%		3,000	45	6-12-73	4-1-74
6	" "	1-1/2%		3,000	45	6-21-74	7-1-74
7	" "	1-1/2%		3,000	45	6-21-74	10-1-74
8	" "	1-1/2%		3,000	45	6-21-74	1-1-75
9							
10							
11							
12							
13				Total	300		

205. INVESTMENTS IN AFFILIATED COMPANIES

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of companies affiliated with respondent, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 721, "Investments in affiliated companies"; and 717, "Insurance and other funds."

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 27, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and (c).

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise

encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designation mature serially, the date in column (d) may be reported as "Serially 19__ to 19__." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company and description of security held; also lien reference if any	Extent of control	INVESTMENTS AT CLOSE OF YEAR	
						Book Value of Amount Held at Close of Year	
						Pledged	Unpledged
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	721			Investments In Affiliated Companies	% \$	\$	
1							
2							
3				<u>Capital Stock</u>			
4							
5	A-1	VII		The Kansas City Southern Railway			
6				Company - Preferred	1.5		256
7				The Kansas City Southern Railway			
8				Company - Common	3		2,190
9				Louisiana, Arkansas & Texas			
10				Transportation Company	100		10
11				Landa Motor Lines	100		20
12				The Pullman Company (Negligible)			12
13							
14				Total Class A			2,488
15							
16	A-3	VI		Tolmak, Inc.	100		1,239
17		X		Kansas City Southern Industries, Inc.			
18				Preferred Stock 4% - Non-Cumulative	2.6		1,038
19							
20				Total Class A-3			2,277
21				Total Class A			4,765
22							
23				<u>Bonds</u>			
24							
25	B-1	VII		The Kansas City Southern Ry. Co., 3-1/4%			
26				FM Series C Bonds due 12-1-84 (Negligible)			164
27							
28				<u>Investment Advances</u>			
29							
30	E-1	VII		Landa Motor Lines	100		194
31		VII		Louisiana, Arkansas & Texas			
32				Transportation Company	100		600
33							
34				Total Class E-1			794
35							
36	E-3	VI		Tolmak, Inc.	100		4,370
37							
38				Total Class E			5,164
39							
40				Total Account 721			10,093
41							
42							
43							
44							
45							
46							

205. INVESTMENTS IN AFFILIATED COMPANIES—Continued

6. If any of the companies included in this schedule are controlled by respondent, the percent of control should be given in column (e). In case any company listed is controlled other than through actual ownership of securities, give particulars in a footnote. In cases of joint control, give names of other parties and particulars of control.

7. If any advances reported are pledged, give particulars in a footnote.

8. Particulars of investments made, disposed of, or written down during the year should be given in columns (j) to (l) inclusive. If the cost of any investment made during the year differs from the book value report-

ed in column (j), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in a footnote. Identify all entries in column (k), which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

9. This schedule should not include securities issued or assumed by respondent. (Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (j)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)	
In sinking, insurance, and other funds (h)	Total book value (i)						
\$	\$	\$	\$	\$	%	\$	
							1
							2
							3
							4
							5
	256						6
							7
	2,190						8
							9
	10						10
	20						11
	12						12
							13
	2,488						14
							15
	1,239						16
							17
	1,038				\$1.00 Sh	48	18
							19
	2,277					48	20
	4,765					48	21
							22
							23
							24
							25
	164		600	600	3-1/4%	17	26
							27
							28
							29
	194						30
							31
	600						32
							33
	794						34
							35
	4,370		129	129			36
							37
	5,164		129	129			38
							39
	10,093		729	729		65	40
							41
							42
							43
							44
							45
							46

206. OTHER INVESTMENTS

1. Give particulars of investments in stocks, bonds, other secured obligations, unsecured notes, and investment advances of others than affiliated companies, included in accounts Nos. 715, "Sinking funds"; 716, "Capital and other reserve funds"; 722, "Other investments"; and 717, "Insurance and other funds." Investments included in accounts Nos. 715, 716 and 717 held by trustees in lieu of cash deposits required under the governing instrument are not to be reported.

2. Entries in this schedule should be made in accordance with the definitions and general instructions given on page 27, classifying the investments by means of letters, figures, and symbols in columns (a), (b), and

(c) Investment in U. S. Treasury obligations may be reported as one item.

3. Indicate by means of an arbitrary mark in column (d) the obligation in support of which any security is pledged, mortgaged, or otherwise encumbered, giving names and other important particulars of such obligations in footnotes.

4. Give totals for each class and for each subclass and a grand total for each account.

5. Entries in column (d) should show date of maturity of bonds and other evidences of indebtedness. In case obligations of the same designa-

Line No.	Account No.	Class No.	Kind of industry	Name of issuing company or government and description of security held; also lien reference, if any	INVESTMENTS AT CLOSE OF YEAR	
					Book Value of Amount Held at Close of Year	
	(a)	(b)	(c)	(d)	Pledged (e)	Unpledged (f)
1	715			<u>Sinking Funds</u>	\$	\$
2						
3						
4	716			<u>Capital And Other Reserve Funds</u>		
5						
6		C-3	X	Chemical Bank - Deposit for destroyed cars		1
7				Ex Parte 305		167
8						
9				Total Account 716		168
10						
11						
12	717			<u>Insurance And Other Funds</u>		
13						
14						
15	722			<u>Other Investments</u>		
16						
17		A-3	X	Greater Springhill Corporation		(10 Shares)
18						
19				Club Memberships		1
20						
21				Total Class A		1
22						
23		B-3	X	Louisiana State Fair Stadium		1
24						
25				Total Account 722		2
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						

206. OTHER INVESTMENTS—Continued

tion mature serially, the date in column (d) may be reported as "Serially 19 ____ to 19 ____." In making entries in this column, abbreviations in common use in standard financial publications may be used where necessary on account of limited space.

6. If any advances reported are pledged, give particulars in a footnote.

7. Particulars of investments made, disposed of, or written down during the year should be given in columns (i) and (k). If the cost of any investment made during the year differs from the book value reported in

column (i), explain the matter in a footnote. By "cost" is meant the consideration given minus accrued interest or dividends included therein. If the consideration given or received for such investments was other than cash, describe the transaction in the footnote. Identify all entries in column (j) which represent a reduction in the book value of securities by symbol and give full explanation in a footnote in each case.

(Dollars in Thousands)

INVESTMENTS AT CLOSE OF YEAR		Book value of investments made during year (i)	INVESTMENTS DISPOSED OF OR WRITTEN DOWN DURING YEAR		DIVIDENDS OR INTEREST DURING YEAR		Line No.
Book Value of Amount Held at Close of Year			Book value (j)	Selling price (k)	Rate (l)	Amount credited to income (m)	
In sinking, insurance, and other funds (g)	Total book value (h)				%	\$	
\$	\$	\$	\$	\$			
	None	None	None				1
							2
							3
							4
							5
	1						6
	167	167					7
							8
	168	167					9
							10
							11
	None	None	None				12
							13
							14
							15
							16
	1						17
							18
	1						19
							20
	2						21
							22
	1						23
							24
	3						25
							26
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211B. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (e) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to

be shown for the respective primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account 542. Report data applicable to improvements to such property, the cost of which is included in account 732, in columns (b), (c) and (d).

4. If the depreciation base for accounts 1, 2-1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported, nevertheless, in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account (s) affected.

Line No.	Account (a)	OWNED AND USED			LEASED FROM OTHERS		
		Depreciation Base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
		\$	\$	%	\$	\$	%
	ROAD						
1	(1) Engineering	588	588	.80			
2	(2-1/2) Other right-of-way expenditures	53	53	3.72			
3	(3) Grading	635	635	3.75			
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	4,181	4,174	2.43			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	196	196	-			
8	(16) Station and office buildings	3,173	3,172	1.90			
9	(17) Roadway buildings	40	40	2.21			
10	(18) Water stations	46	46	2.80			
11	(19) Fuel stations	86	86	2.29			
12	(20) Shops and enginehouses	1,135	1,135	1.91			
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	289	289	3.96			
18	(26) Communications systems	761	761	4.52			
19	(27) Signals and interlockers	786	789	3.39			
20	(29) Power plants	23	23	1.25			
21	(31) Power transmission systems	343	343	3.50			
22	(35) Miscellaneous structures	48	48	2.15			
23	(37) Roadway machines	289	289	-			
24	(39) Public improvements—Construction	521	521	3.72			
25	(44) Shop machinery	111	111	3.45			
26	(45) Power plant machinery	33	33	2.80			
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	13,337	13,332	2.46			
	EQUIPMENT						
30	(52) Locomotives	3,899	3,461	3.76			
31	(53) Freight-train cars	21,564	20,844	4.05			
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	333	272	9.00			
36	(58) Miscellaneous equipment	16	10	14.00			
37	Total equipment	25,812	24,587	4.07			
38	GRAND TOTAL	39,149	37,919	XX XX			XX XX

211D. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 211F for the reserve relating to road and equipment owned but not used by the respondent.) If any entries are

made for "Other credits" or "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in parenthesis or designated "Dr."

2. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on line 28.

(Dollars in thousands)

Line No.	Account (a)	Balance at beginning of year (b)	CREDITS TO RESERVE During the Year		DEBITS TO RESERVE During the Year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering	55	5		1		59
2	(2-1/2) Other right-of-way expenditures	26	2				28
3	(3) Grading	175	24				199
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	2,225	102		7		2,320
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	196					196
8	(16) Station and office buildings	252	60				312
9	(17) Roadway buildings	6	1				7
10	(18) Water stations	8	1				9
11	(19) Fuel stations	18	2				20
12	(20) Shops and enginehouses	128	22				150
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	60	11				71
18	(26) Communication systems	(3)	34				31
19	(27) Signals and interlockers	428	27				455
20	(29) Power plants	(6)					(6)
21	(31) Power-transmission systems	56	12				68
22	(35) Miscellaneous structures	7	1				8
23	(37) Roadway machines	279					279
24	(39) Public improvements—Construction	302	19				321
25	(44) Shop machinery*	38	4				42
26	(45) Power-plant machinery*	9	1				10
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	4,259	328		8		4,579
	EQUIPMENT						
30	(52) Locomotives	2,606	144		348		2,402
31	(53) Freight-train cars	2,618	862		483		2,997
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	170	25		53		142
36	(58) Miscellaneous equipment	7	2		6		3
37	Total equipment	5,401	1,033		890		5,544
38	GRAND TOTAL	9,660	1,361		898		10,123

*Chargeable to account 305.

218. FUNDED DEBT AND OTHER OBLIGATIONS (Dollars in thousands)

Line No.	Name and character of obligation	Nominal date of issue	Date of maturity	INTEREST PROVISIONS		DOES OBLIGATION PROVIDE FOR— (Answer "Yes" or "No")			IS OTHER PROPERTY (REAL OR PERSONAL OR LEASEHOLD) SUBJECT TO LIEN OF THE OBLIGATION? (Answer "Yes" or "No")		APPROXIMATE NUMBER OF MILES OF LINE DIRECTLY SUBJECT TO—	
				Rate percent per annum (current year)	Dates due	Con- version	Call prior to maturity, other than for sinking fund (g)	Sinking fund (h)	First lien (i)	Junior to first lien (j)	First lien (k)	Junior to first lien (l)
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
1	764 - 766 Equipment Obligations											
2	4C - Equipment Purchase Agreements											
3												
4	Chemical Bank	5-01-64	5-01-79	4.60	5/11/1	No	No	No	No			
5												
6	Chemical Bank	4-01-65	4-01-75	4.55	4/10/1	No	No	No	No			
7				4.60								
8				4.625								
9												
10												
11												
12												
13												
14												
15												
16												
17												
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48												
49												
50												
51	Grand Total								x x x	x x x	x x x	x x x

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Total amount nominally and actually issued (m)	AMOUNT NOMINALLY ISSUED AND—		Total amount actually issued (p)	AMOUNT REACQUIRED AND—		TOTAL AMOUNT ACTUALLY OUTSTANDING			Line No.
	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (n)	Canceled (o)		Canceled through sinking fund or otherwise canceled (Identify canceled through sinking fund by symbol "S") (q)	Held in special funds or in treas- ury or pledged (Identify pledged securities by symbol "P"; matured by symbol "M") (r)	Unmatured (accounts 765, 766, and 767) (s)	Unmatured (account 764) (t)	Matured and no provision made for payment (account 768) (u)	
\$	\$	\$	\$	\$	\$	\$	\$	\$	1
									2
2,844			2,844	1,896		758	190		3
7,774			7,774	6,997			777		4
									5
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									49
10 618			10,618	8,893		758	967		50
									51

218. FUNDED DEBT AND OTHER OBLIGATIONS—Continued

Line No.	Name and character of obligation (List on same lines and in same order as on page 56)	AMOUNT OF INTEREST ACCRUED DURING YEAR		Amount of interest paid during year	Total amount of interest in default
		Charged to income	Charged to investment accounts		
	(a)	(v)	(w)	(x)	(y)
1		\$	\$	\$	\$
2	Contract Date				
3					
4	8761 5-1-64	46		48	
5					
6	8923 4-1-65	45		54	
7					
8					
9					
10					
11					
12					
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42					
43					
44					
45					
46					
47					
48					
49					
50					
51	Grand Total	91		102	

218. FUNDED DEBT AND OTHER OBLIGATIONS—Concluded

SECURITIES ISSUED OR ASSUMED DURING YEAR				SECURITIES REACQUIRED DURING YEAR		Line No.
Purpose of the issue and authority (z)	Par value (aa)	Net proceeds received for issue (cash or its equivalent) (bb)	Expense of issuing securities (cc)	AMOUNT REACQUIRED		
				Par value (dd)	Purchase price (ee)	
	\$	\$	\$	\$	\$	1
Acquisition of Equipment						2
						3
5-1-64				190	190	4
						5
4-1-65				777	777	6
						7
						8
						9
						10
						11
						12
						13
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						43
						44
						45
						46
						47
						48
						49
						50
Grand Total				967	967	51

219. EQUIPMENT COVERED BY EQUIPMENT OBLIGATIONS

Give the particulars called for regarding the equipment obligations included in schedule 218, "Funded Debt and Other Obligations" (accounts Nos. 764, "Equipment obligations and other debt due within 1 year" and 766, "Equipment obligations") at the close of the year. In column (a) show the name by which the equipment obligation is designated and in column (b) show the classes of equipment and the number of units cov-

ered by the obligation. In column (c) show the contract price to the original debtor; in column (d) show the cash paid on acceptance of equipment by the original debtor; do not report the price paid on a subsequent sale and assumption of balance of debt.

(Dollars in thousands)

Line No.	Designation of equipment obligation (List names in the same order as in schedule 218)	Description of equipment covered	Contract price of equipment acquired	Cash paid on acceptance of equipment
	(a)	(b)	(c)	(d)
1	Chemical Bank, N.Y.		\$	\$
2	5-1-64	160 Hopper Cars		
3		20 Tank Cars	2,854	10
4				
5	Chemical Bank, N.Y.			
6	4-1-65	425 Box Cars		
7		100 Gondola Cars		
8		110 Hopper Cars		
9		50 Bulkhead Flat Cars	7,774	None
10		685		
11				
12				
13				
14				
15				
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19				
20				
21				
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228. CAPITAL STOCK

Give particulars of the various issues of capital stock of the respondent, distinguishing separate issues of any general class, if different in any respect.

In the second section list particulars of the various issues on the same lines and in the same order as in the first section.

Identify the entries in columns (m) to (s), inclusive, in a manner which will indicate whether par value or the number of shares is shown.

In stating the date of an authorization the date of the latest assent or ratification necessary to its validity should be shown; e. g., in case an authorization is required to be ratified by stockholders after action by the board of directors, but is not required to be approved by any State or other governmental board or officer, give the date of approval by stockholders; if the assent of

a State railroad commission or other public board or officer is necessary, give the date of such assent, or if subsequent to such assent notice has to be filed with a secretary of state or other public officer and a tax or other fee has to be paid as a condition precedent to the validity of the issue, give the date of such payment. In case some condition precedent has to be complied with after the approval and ratification of the stockholders has been obtained, state, in a footnote, the particulars of such condition and of the respondent's compliance therewith.

For the purposes of this report, capital stock and other securities are considered to be *nominally issued* when certificates are signed and sealed and placed with the proper officer for sale and delivery or are pledged or otherwise placed in some special fund of the respondent. They are considered to be *actually is-*

sued when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds them free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. If reacquired by or for the respondent under such circumstances as require them to be considered as held alive, and not canceled or retired, they are considered to be *nominally outstanding*.

Column (d) refers to the initial preference dividend payable before any common dividend; columns (k) and (l) to participations in excess of initial preference dividend; at a specified percentage or amount (nonpar stock) (column (k)) or a percentage or proportion of the profits (column (l)).

(Dollars in thousands)

Line No.	Class of stock (a)	Date issue was authorized (b)	Par value per share (if non-par, so state) (c)	PREFERRED STOCK								
				Dividend rate specified in contract (d)	Total amount of accumulated dividends (e)	Cumulative		Noncumulative ("Yes" or "No") (h)	Other Provisions of Contract			
						To extent earned ("Yes" or "No") (f)	Fixed \$ rate or percent specified by contract (g)		Convertible ("Yes" or "No") (i)	Callable or redeemable ("Yes" or "No") (j)	Participating Dividends	
											Fixed amount or percent (Specify) (k)	Fixed ratio with common (Specify) (l)
1	Common	8-27-36	\$ Non-Par	x x x x x	\$ x x x x x x	x x x x x	x x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x
2				x x x x x	x x x x x x	x x x x x	x x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x
3				x x x x x	x x x x x x	x x x x x	x x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x
4				x x x x x	x x x x x x	x x x x x	x x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x
5	Preferred 6% Series	8-27-36	50	6%	None	No	None	Yes	Yes	Yes	No	No
6	Preferred 4% Series	8-27-36	50	4%	None	No	None	Yes	No	Yes	No	No
7	Prior Preferred 6%											
8	Debenture Cumulative	8-27-36	50	6%	None	No	6%	No	No	Yes	No	No
9	Receipts outstanding for installments paid*											
10	TOTAL	x x x x	x x x x	x x x x x		x x x x x	x x x x x x x	x x x x x	x x x x x	x x x x x x	x x x x x x	x x x x x x

Line No.	PAR VALUE OF PAR-VALUE STOCK OR NUMBER OF SHARES OF NONPAR STOCK							STOCK ACTUALLY OUTSTANDING AT CLOSE OF YEAR		
	Authorized (m)	Authenticated (n)	Nominally Issued and		Actually issued (q)	Reacquired and		Number of shares (t)	Par value of par-value stock (u)	Book value of stock without par value (v)
			Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P") (o)	Canceled (p)		Canceled (r)	Held in special funds or in treasury or pledged (Identify pledged securities by symbol "P") (s)			
1	SH 210,000	SH 160,000	None	None	SH 160,000	None	None	160,000	\$ None	\$ 4,000
2										
3										
4										
5	\$ 2,000	\$ 2,000	None	None	\$ 2,000	None	None	40,000	2,000	
6	\$ 1,486	None	None	None	None	None	None			
7										
8	\$ 4,000	\$ 3,000	None	None	\$ 3,000	None	None	60,000	3,000	
9										
10	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	260,000	5,000	4,000

*State the class of capital stock covered by the receipts.

101. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year
The Arkansas Western Railway Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Yes, The Kansas City Southern Railway and Controlled Companies
3. If any change was made in the name of the respondent during the year, state all such changes and the dates on which they were made
None
4. Give the location (including street and number) of the main business office of the respondent at the close of the year
114 West 11th Street, Kansas City, Missouri 64105
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
1	President	T. S. Carter Kansas City, Missouri
2	Vice president	M. F. McClain Kansas City, Missouri
3	Secretary	G. E. Kellogg Kansas City, Missouri
4	Treasurer	V. C. Pragman Kansas City, Missouri
5	Auditor	T. A. Giltner Kansas City, Missouri
6	General Counsel	R. E. Zimmerman Kansas City, Missouri
7	General manager	
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	
13		

6. Give the names and office addresses of the several directors of the respondent at the close of the year, and the dates of expiration of their respective terms.

Line No.	Name of director (a)	Office address (b)	Term expires (c)
14	W. N. Deramus III	Kansas City, Missouri	May 19, 1975
15	T. S. Carter	Kansas City, Missouri	"
16	R. J. Blair	Kansas City, Missouri	"
17	M. F. McClain	Kansas City, Missouri	"
18	T. A. Giltner	Kansas City, Missouri	"
19	E. A. Cattelino, Jr.	Kansas City, Missouri	"
20	V. C. Pragman	Kansas City, Missouri	"
21	R. E. Zimmerman	Kansas City, Missouri	"
22			
23			

7. Give the date of incorporation of the respondent May 13, 1904 8. State the character of motive power used _____
9. Class of switching and terminal company Class II Railroad
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees Laws of Arkansas as shown in Chapter 133 Kirbys Digest of Arkansas Statutes.

11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source The Kansas City Southern Railway Company names directors through sole ownership of capital stock.

12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and sub-constituent corporations. Describe also the course of construction of the road of the respondent, and its financing The occasion for the reorganization was that the charter of The Arkansas Western Railroad Company which was incorporated December 15, 1899, Act CC III of Arkansas 1899 covered only the construction of a railroad (Continued on Page 3)

* Use the initial word the when (and only when) it is a part of the name, and distinguish between the words railroad and railway and between company and corporation.

107. STOCKHOLDERS

Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities

being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 38, the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.

Line No.	Name of security holder (a)	Address of security holder (b)	Number of votes to which security holder was entitled (c)	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED				
				Stocks			Other securities with voting power (g)	
				Common (d)	PREFERRED Second (e) First (f)			
1	The Kansas City Southern							
2	Railway Company	Kansas City, Missouri	6,491	6,491	None	None	None	
3	W. N. Deramus III	Kansas City, Missouri	1	1	"	"	"	
4	T. S. Carter	Kansas City, Missouri	1	1	"	"	"	
5	R. J. Blair	Kansas City, Missouri	1	1	"	"	"	
6	E. A. Cattelino, Jr.	Kansas City, Missouri	1	1	"	"	"	
7	M. F. McClain	Kansas City, Missouri	1	1	"	"	"	
8	V. C. Pragman	Kansas City, Missouri	1	1	"	"	"	
9	R. E. Zimmerman	Kansas City, Missouri	1	1	"	"	"	
10	G. E. Kellogg	Kansas City, Missouri	1	1	"	"	"	
11	T. A. Giltner	Kansas City, Missouri	1	1	"	"	"	
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23	(Continued from Page)							
24	from Heavener, Oklahoma to Waldron, Arkansas and it was thought advisable that a							
25	new company should be organized under a charter which would permit the							
26	acquisition of the constructed line from Heavener, Okla. to Waldron, Ark. and of							
27	the extension of the line to Hot Springs, Ark. Accordingly The Arkansas Western							
28	Railway Company was organized May 13, 1904 and the Company purchased all the							
29	property and franchises of the Arkansas Western Railroad Company. All the							
30	affairs of the Arkansas Western Railroad Company were liquidated.							

Footnotes and Remarks

108. STOCKHOLDERS REPORTS

1. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted _____ (date)

☒ No annual report to stockholders is prepared.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT ASSETS		\$	\$
1	(701) Cash	365	(27,123)
2	(702) Temporary cash investments		250,000
3	(703) Special deposits		
4	(704) Loans and notes receivable		
5	(705) Traffic, car service and other balances-Dr.		
6	(706) Net balance receivable from agents and conductors	5,221	4,367
7	(707) Miscellaneous accounts receivable	20	92
8	(708) Interest and dividends receivable		7,047
9	(709) Accrued accounts receivable	27,242	27,412
10	(710) Working fund advances		
11	(711) Prepayments		
12	(712) Material and supplies		
13	(713) Other current assets	(6)	(72)
14	(714) Deferred income tax charges (p. 10A)		
15	Total current assets	32,842	261,723
SPECIAL FUNDS		(a1) Total book assets at close of year	(a2) Respondent's own assets included in (a1)
16	(715) Sinking funds		
17	(716) Capital and other reserve funds		
18	(717) Insurance and other funds		
19	Total special funds		
INVESTMENTS			
20	(721) Investments in affiliated companies (pp. 16 and 17)		
21	Undistributed earnings from certain investments in account 721 (p. 17A)		
22	(722) Other investments (pp. 16 and 17)		
23	(723) Reserve for adjustment of investment in securities—Credit		
24	Total investments (accounts 721, 722 and 723)		
PROPERTIES			
25	(731) Road and equipment property: Road	452,214	445,468
26	Equipment		
27	General expenditures	17,731	17,750
28	Other elements of investment		
29	Construction work in progress	23,764	15,566
30	Total (p. 13)	493,709	478,784
31	(732) Improvements on leased property: Road		
32	Equipment		
33	General expenditures		
34	Total (p. 12)		
35	Total transportation property (accounts 731 and 732)	493,709	478,784
36	(735) Accrued depreciation—Road and equipment (pp. 21 and 22)	(53,478)	(51,639)
37	(736) Amortization of defense projects—Road and Equipment (p. 24)		
38	Recorded depreciation and amortization (accounts 735 and 736)	(53,478)	(51,639)
39	Total transportation property less recorded depreciation and amortization (line 33 less line 36)	440,231	427,145
40	(737) Miscellaneous physical property	70	70
41	(728) Accrued depreciation - Miscellaneous physical property (p. 25)	70	70
42	Miscellaneous physical property less recorded depreciation (account 737 less 738)		
43	Total properties less recorded depreciation and amortization (line 37 plus line 40)	440,301	427,215
OTHER ASSETS AND DEFERRED CHARGES			
44	(741) Other assets		
45	(742) Unamortized discount on long-term debt		
46	(743) Other deferred charges (p. 26)		
47	(744) Accumulated deferred income tax charges (p. 10A)		
48	Total other assets and deferred charges		
49	TOTAL ASSETS	473,143	688,938

Note.—See page 6 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200 COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the account requirements followed in column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES			
50	(751) Loans and notes payable (p. 26)	\$	\$
51	(752) Traffic car service and other balances—Cr.	1,072	570
52	(753) Audited accounts and wages payable	239,674	311,875
53	(754) Miscellaneous accounts payable	114	102
54	(755) Interest matured unpaid		
55	(756) Dividends matured unpaid		
56	(757) Unmatured interest accrued		
57	(758) Unmatured dividends declared		
58	(759) Accrued accounts payable		
59	(760) Federal income taxes accrued	870	870
60	(761) Other taxes accrued	3,710	3,859
61	(762) Deferred income tax credits (p. 10A)		
62	(763) Other current liabilities	3,975	2,110
63	Total current liabilities (exclusive of long-term debt due within one year)	249,415	319,386
LONG-TERM DEBT DUE WITHIN ONE YEAR			
	(a1) Total issued (a2) Held by or for respondent		
64	(764) Equipment obligations and other debt (pp. 11 and 14)	1,075,000 None	1,075,000
LONG-TERM DEBT DUE AFTER ONE YEAR			
	(a1) Total issued (a2) Held by or for respondent		
65	(765) Funded debt unmatured (p. 11)		1,075,000
66	(766) Equipment obligations (p. 14)		
67	(767) Receivers' and Trustees' securities (p. 11)		
68	(768) Debt in default (p. 26)		
69	(769) Amounts payable to affiliated companies (p. 14)	4,251,790	4,251,789
70	Total long-term debt due after one year	4,251,790	5,326,789
RESERVES			
71	(771) Pension and welfare reserves		
72	(772) Insurance reserves		
73	(774) Casualty and other reserves		30,000
74	Total reserves		30,000
OTHER LIABILITIES AND DEFERRED CREDITS			
75	(781) Interest in default		
76	(782) Other liabilities	4,975	5,255
77	(783) Unamortized premium on long-term debt		
78	(784) Other deferred credits (p. 26)	10,538	10,251
79	(785) Accrued depreciation—Leased property (p. 23)		
80	(786) Accumulated deferred income tax credits (p. 10A)		
81	Total other liabilities and deferred credits	15,513	15,506
SHAREHOLDERS' EQUITY			
	(a1) Total issued (a2) Held by or for company		
82	(791) Capital stock issued: Common stock (p. 11)	650,000 None	650,000
83	Preferred stock (p. 11)		
84	Total	650,000 None	650,000
85	(792) Stock liability for conversion		
86	(793) Discount on capital stock		
87	Total capital stock	650,000	650,000
Capital surplus			
88	(794) Premiums and assessments on capital stock (p. 25)		
89	(795) Paid-in-surplus (p. 25)		
90	(796) Other capital surplus (p. 25)		
91	Total capital surplus		
Retained income			
92	(797) Retained income—Appropriated (p. 25)		
93	(798) Retained income—Unappropriated (p. 10)	(5,768,575)	(5,652,743)
94	Total retained income	(5,768,575)	(5,652,743)
95	Total shareholders' equity	(5,118,575)	(5,002,743)
96	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	473,143	688,938

300. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies. All contra entries hereunder should be indicated in parentheses.

2. Any unusual accruals involving substantial amounts included in column (b) on lines 7 to 57, inclusive, should be fully explained in a footnote.

3. Line 28 includes only dividends from investments accounted for under the cost method. Line 34 includes only dividends accounted for under the equity method. Line 35 includes the undistributed earnings from investments accounted for under the equity method. Line 36 represents the earnings (losses) of investee companies accounted for under the equity method.

Line No.	Item (a)	Amount for current year (b)
	ORDINARY ITEMS	\$
	OPERATING INCOME	
	RAILWAY OPERATING INCOME	
1	(501) Railway operating revenues (p. 27)	238,384
2	(531) Railway operating expenses (p. 28)	173,792
3	Net revenue from railway operations	(35,408)
4	(532) Railway tax accruals	34,604
5	(533) Provision for deferred taxes	
6	Railway operating income	(70,012)
	RENT INCOME	
7	(503) Hire of freight cars and highway revenue equipment—Credit balance	
8	(504) Rent from locomotives	
9	(505) Rent from passenger-train cars	
10	(506) Rent from floating equipment	
11	(507) Rent from work equipment	
12	(508) Joint facility rent income	
13	Total rent income	
	RENTS PAYABLE	
14	(536) Hire of freight cars and highway revenue equipment—Debit balance	59,563
15	(537) Rent for locomotives	1,140
16	(538) Rent for passenger-train cars	
17	(539) Rent for floating equipment	
18	(540) Rent for work equipment	
19	(541) Joint facility rents	
20	Total rents payable	60,703
21	Net rents (line 13 less line 20)	(60,703)
22	Net railway operating income (lines 6,21)	(130,715)
	OTHER INCOME	
23	(502) Revenues from miscellaneous operations (p. 28)	
24	(509) Income from lease of road and equipment (p. 31)	
25	(510) Miscellaneous rent income (p. 29)	2,015
26	(511) Income from nonoperating property (p. 30)	
27	(512) Separately operated properties—Profit	
28	(513) Dividend income (from investments under cost only)	
29	(514) Interest income	12,982
30	(516) Income from sinking and other reserve funds	
31	(517) Release of premiums on funded debt	
32	(518) Contributions from other companies (p. 31)	
33	(519) Miscellaneous income (p. 29)	(a1)
34	Dividend income (from investments under equity only)	\$ XXXXX
35	Undistributed earnings (losses)	XXXXX
36	Equity in earnings (losses) of affiliated companies (lines 34,35)	
37	Total other income	14,997
38	Total income (lines 22,37)	(115,718)
	MISCELLANEOUS DEDUCTIONS FROM INCOME	
39	(534) Expenses of miscellaneous operations (p. 28)	
40	(535) Taxes on miscellaneous operating property (p. 28)	
41	(543) Miscellaneous rents (p. 29)	
42	(544) Miscellaneous tax accruals	11
43	(545) Separately operated properties—Loss	

300. INCOME ACCOUNT FOR THE YEAR—Continued

Line No.	Item (a)	Amount for current year (b)
		\$
44	(549) Maintenance of investment organization	
45	(550) Income transferred to other companies (p. 31)	103
46	(551) Miscellaneous income charges (p. 29)	114
47	Total miscellaneous deductions	(115,832)
48	Income available for fixed charges (lines 38, 47)	
	FIXED CHARGES	
49	(542) Rent for leased roads and equipment	
	(546) Interest on funded debt:	
50	(a) Fixed interest not in default	
51	(b) Interest in default	
52	(547) Interest on unfunded debt	
53	(548) Amortization of discount on funded debt	
54	Total fixed charges	(115,832)
55	Income after fixed charges (lines 48,54)	
	OTHER DEDUCTIONS	
	(546) Interest on funded debt:	
56	(c) Contingent interest	(115,832)
57	Ordinary income (lines 55,56)	
	EXTRAORDINARY AND PRIOR PERIOD ITEMS	
58	(570) Extraordinary items—Net Credit (Debit) (p. 9)	
59	(580) Prior period items—Net Credit (Debit)(p. 9)	
60	(590) Income taxes on extraordinary and prior period items—Debit (Credit) (p. 9)	
61	(591) Provision for deferred taxes—Extraordinary and prior period period items	
62	Total extraordinary and prior period items—Credit (Debit)	(115,832)
63	Net income transferred to Retained Income—Unappropriated (lines 57,62)	

NOTE.—See page 9 for explanatory notes, which are an integral part of the Income Account for the Year.

305. RETAINED INCOME--UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 2 (line 6 if debit balance), column (c), should agree with line 36, column (b), schedule 300. The total of columns (b) and (c), lines 2 and 6, should agree with line 63, column (b), schedule 300.

6. Include in column (b) only amounts applicable to Retained Income *exclusive* of any amounts included in column (c).

Line No.	Item (a)	Amount (b)	Amount (c)
1	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at beginning of year*	(5,652,743)	s
	CREDITS		
2	(602) Credit balance transferred from income		
3	(606) Other credits to retained income†		
4	(622) Appropriations released		
5	Total		
	DEBITS		
6	(612) Debit balance transferred from income	115,832	
7	(616) Other debits to retained income		
8	(620) Appropriations for sinking and other reserve funds		
9	(621) Appropriations for other purposes		
10	(623) Dividends	115,832	
11	Total	(115,832)	
12	Net increase (decrease) during year*	(115,832)	
13	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at end of year*	(5,768,575)	
14	Balance from line 13 (c)*		XXXXXX
15	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year*	(5,768,575)	XXXXXX
	Remarks		
	Amount of assigned Federal income tax consequences:		
16	Account 606		XXXXXX
17	Account 616		XXXXXX

*Amount in parentheses indicates debit balance.

†Show principal items in detail.

670. FUNDED DEBT UNMATURED

Give particulars of the various issues of securities in accounts Nos. 764, "Equipment obligations and other debt due within one year" (excluding equipment obligations), and 765, "Funded debt unmatured," at close of the year. Funded debt, as here used, comprises all obligations maturing later than one year after date of issue in accordance with the instructions in the Uniform System of Accounts for Railroad Companies. Show

each issue separately, and make all necessary explanations in footnotes. For the purposes of this report, securities are considered to be *actually issued* when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. It should be noted that section 20a of the

Interstate Commerce Act makes it unlawful for a carrier to issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption. Entries in columns (k) and (l) should include interest accrued on funded debt reacquired, matured during the year, even though no portion of the issue is outstanding at the close of the year.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	Interest provisions		Total amount nominally and actually issued (f)	Nominally issued and held by for respondent (Identify pledged securities by symbol "P") (g)	Total amount actually issued (h)	Required and held by or for respondent (Identify pledged securities by symbol "P") (i)	Actually outstanding at close of year (j)	Interest during year	
				Rate percent per annum (d)	Dates due (e)						Accrued (k)	Actually paid (l)
1	First Mortgage Bonds	6-1	10-1		6-1 and	\$	\$	\$	\$	\$	\$	\$
2		1904	1975	6	12-1	650,000		650,000		650,000		
3		6-1-29	1975	6	6-1-12-1	425,000		425,000		425,000		
4					Total	1,075,000		1,075,000		1,075,000		
5	Funded debt canceled: Nominally issued, \$ <u>None</u> Actually issued, \$ <u>None</u>											
6	Purpose for which issue was authorized: <u>Purchase and/or construction of railway property.</u>											

690. CAPITAL STOCK

Give the particulars called for concerning the several classes and issues of capital stocks of the respondent outstanding at the close of the year, and make all necessary explanations in footnotes. For definition of securities *actually issued* and *actually outstanding* see instructions for schedule 670. It should be noted that section 20a of the Interstate Commerce Act makes it unlawful for a carrier to

issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption.

Line No.	Class of stock (a)	Date issue was authorized† (b)	Par value per share (c)	Authorized† (d)	Authenticated (e)	Par value of par value or shares of nonpar stock			Actually outstanding at close of year		
						Nominally issued and held by for respondent (Identify pledged securities by symbol "P") (f)	Total amount actually issued (g)	Reacquired and held by or for respondent (Identify pledged securities by symbol "P") (h)	Par value of par-value stock (i)	Shares Without Par Value Number (j)	Book value (k)
1	Common	5-11-04	\$ 100	3000000	\$ 650,000	\$ None	\$ 650,000	\$ None	\$ 650,000		\$
2											
3											
4											
5	Par value of par value or book value of nonpar stock canceled: Nominally issued, \$ <u>None</u> Actually issued, \$ <u>None</u>										
6	Amount of receipts outstanding at the close of the year for installments received on subscriptions for stocks <u>None</u>										
7	Purpose for which issue was authorized: <u>Purchase of The Arkansas Western Railroad Company</u>										
8	The total number of stockholders at the close of the year was <u>Ten</u>										

695. RECEIVERS' AND TRUSTEES' SECURITIES

Give particulars of evidences of indebtedness issued and payment of equipment obligations assumed by receivers and trustees under

orders of a court as provided for in account No. 767, "Receivers' and trustees' securities." For definition of securities *actually issued* and *actually outstanding*, see instructions for schedule 670.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	Interest provisions		Total par value authorized † (f)	Total par value held by or for respondent at close of year		Total par value actually outstanding at close of year (i)	Interest during year	
				Rate percent per annum (d)	Dates due (e)		Nominally issued (g)	Nominally outstanding (h)		Accrued (j)	Actually paid (k)
1	NONE					\$	\$	\$	\$	\$	\$
2											
3											
4					Total						

†By the State Board of Railroad Commissioners, or other public authority, if any, having control over the issue of securities; if no public authority has such control, state the purpose and amounts as authorized by the board of directors and approved by stockholders.

1302. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (d) and (f) show the depreciation base used in computing the depreciation charges for the month of December, in columns (e) and (g) show the composite rates used in computing the depreciation charges for the month of December, and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective

primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account No. 542. Report data applicable to improvements to such property, the cost of which is included in account 732, in columns (b), (c) and (d).

4. If the depreciation base for accounts 1, 2 1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported nevertheless in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

Line No.	Account (a)	Owned and used			Leased from others		
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
		\$	\$	%	\$	\$	%
	ROAD						
1	(1) Engineering	15,652	15,653	60			
2	(2 1/2) Other right-of-way expenditures						
3	(3) Grading	67,354	67,367	12			
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	48,806	48,806	3 10			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	7,815	7,815				
8	(16) Station and office buildings	6,733	6,733	2 05			
9	(17) Roadway buildings	1,393	1,393				
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems						
19	(27) Signals and interlockers						
20	(29) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures						
23	(37) Roadway machines	48	43				
24	(39) Public improvements—Construction	1,826	1,826				
25	(44) Shop machinery						
26	(45) Power-plant machinery						
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	149,627	149,641	1 22			
	EQUIPMENT						
30	(52) Locomotives						
31	(53) Freight-train cars						
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment						
36	(58) Miscellaneous equipment						
37	Total equipment						
38	Grand Total	149,627	149,641	1 22			

1501. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 1502 for the reserve relating to road and equipment

owned but not used by the respondent.) If any entries are made for "Other credits" or "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in red or designated "Dr."

2. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on line 28.

Line No.	Account (a)	Balance at beginning of year (b)	Credits to reserve during the year		Debits to reserve during the year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
	ROAD	\$	\$	\$	\$	\$	\$
1	(1) Engineering—	(124)	93		(1)		(30)
2	(2 1/2) Other right-of-way expenditures—	17					17
3	(3) Grading—	(18,755)	81		(13)		(18,661)
4	(5) Tunnels and subways—						
5	(6) Bridges, trestles, and culverts—	33,355	1,513				34,868
6	(7) Elevated structures—						
7	(13) Fences, snowsheds, and signs—	7,815					7,815
8	(16) Station and office buildings—	3,791	138				3,929
9	(17) Roadway buildings—	1,393					1,393
10	(18) Water stations—						
11	(19) Fuel stations—						
12	(20) Shops and enginehouses—						
13	(21) Grain elevators—						
14	(22) Storage warehouses—						
15	(23) Wharves and docks—						
16	(24) Coal and ore wharves—						
17	(25) TOFC/COFC terminals—						
18	(26) Communication systems—	(1,417)					(1,417)
19	(27) Signals and interlockers—						
20	(29) Power plants—						
21	(31) Power-transmission systems—						
22	(35) Miscellaneous structures—						
23	(37) Roadway machines—	211	*				211
24	(39) Public improvements—Construction—	1,810	*				1,810
25	(44) Shop machinery*						
26	(45) Power-plant machinery*						
27	All other road accounts—						
28	Amortization (other than defense projects)—	23,543					23,543
29	Total road—	51,639	1,825		(14)		53,478
	EQUIPMENT						
30	(52) Locomotives—						
31	(53) Freight-train cars—						
32	(54) Passenger-train cars—						
33	(55) Highway revenue equipment—						
34	(56) Floating equipment—						
35	(57) Work equipment—						
36	(58) Miscellaneous equipment—						
37	Total equipment—						
38	Grand total—	51,639	1,825		(14)		53,478

*Chargeable to account 2223.

*Ceased accruing depreciation per letter of Mr. M. Palo, Director, ICC dated April 30, 1970, File ACV-MEB.

101. IDENTITY OF RESPONDENT

1. Give the exact name* by which the respondent was known in law at the close of the year Fort Smith and Van Buren Railway Company
2. State whether or not the respondent made an annual report to the Interstate Commerce Commission for the preceding year, or for any part thereof. If so, in what name was such report made? Yes, The Kansas City Southern Railway and Controlled Companies
3. If any change was made in the name of the respondent during the year, state also such change and the dates on which they were made. None
4. Give the location (including street and number) of the main business office of the respondent at the close of the year 114 West 11th Street, Kansas City, Missouri 64105
5. Give the titles, names, and office addresses of all general officers of the respondent at the close of the year. If there are receivers who are recognized as in the controlling management of the road, give also their names and titles, and the location of their offices.

Line No.	Title of general officer (a)	Name and office address of person holding office at close of year (b)
1	President	T. S. Carter Kansas City, Missouri
2	Vice president	M. F. McClain "
3	Secretary	G. E. Kellogg "
4	Treasurer	V. C. Pragman "
5	Auditor	T. A. Giltner "
6	General Counsel	R. E. Zimmerman "
7	General manager	
8	General superintendent	
9	General freight agent	
10	General passenger agent	
11	General land agent	
12	Chief engineer	
13		

6. Give the names and office addresses of the several directors of the respondent at the close of the year, and the dates of expiration of their respective terms.

Line No.	Name of director (a)	Office address (b)	Term expires (c)
14	W. N. Deramus III	Kansas City, Missouri	May 26, 1975
15	T. S. Carter	"	"
16	R. J. Blair	"	"
17	R. P. Bruening	"	"
18	T. A. Giltner	"	"
19	G. E. Kellogg	"	"
20	M. F. McClain	"	"
21	V. C. Pragman	"	"
22	R. E. Zimmerman	"	"
23	L. J. Tamisiea	"	"

7. Give the date of incorporation of the respondent April 9, 1900 8. State the character of motive power used Diesel
9. Class of switching and terminal company Class II Railroad
10. Under the laws of what Government, State, or Territory was the respondent organized? If more than one, name all. Give reference to each statute and all amendments thereof, effected during the year. If previously effected, show the year(s) of the report(s) setting forth details. If in bankruptcy, give court of jurisdiction and dates of beginning of receivership or trusteeship and of appointment of receivers or trustees State of Arkansas
Chapter 137 Popes Digest - Statutes of Arkansas 1937 CC 111, Arkansas 1899.

11. State whether or not any corporation or association or group of corporations had, at the close of the year, the right to name the major part of the board of directors, managers, or trustees of the respondent; and if so, give the names of all such corporations and state whether such right was derived through (a) title to capital stock or other securities issued or assumed by the respondent, (b) claims for advances of funds made for the construction of the road and equipment of the respondent, or (c) express agreement or some other source. The Kansas City Southern Railway Company names
Directors through sole ownership of Capital Stock.

12. Give hereunder a history of the respondent from its inception to date, showing all consolidations, mergers, reorganizations, etc., and if a consolidated or merging corporation give like particulars for all constituent and subconstituent corporations. Describe also the course of construction of the road of the respondent, and its financing. Respondent was created at the instant of The Kansas City Southern
Railway Company until September 16, 1939, its property (located Fort Smith, Arkansas)
was operated by this company through ownership of all its (Continued on Page)

* Use the initial word the when (and only when) it is a part of the name, and distinguish between the words railroad and railway and between company and corporation.

107. STOCKHOLDERS

Give the names of the 30 security holders of the respondent who, at the date of the latest closing of the stock book or compilation of list of stockholders of the respondent (if within 1 year prior to the actual filing of this report), had the highest voting powers in the respondent, showing for each his address, the number of votes which he would have had a right to cast on that date had a meeting then been in order, and the classification of the number of votes to which he was entitled, with respect to securities held by him, such securities

being classified as common stock, second preferred stock, first preferred stock, and other securities, stating in a footnote the names of such other securities (if any). If any such holder held in trust, give (in a footnote) the particulars of the trust. In the case of voting trust agreements give, as supplemental information on page 38, the names and addresses of the 30 largest holders of the voting trust certificates and the amount of their individual holdings. If the stock book was not closed or the list of stockholders compiled within such year, show such 30 security holders as of the close of the year.

Line No.	Name of security holder	Address of security holder	Number of votes to which security holder was entitled	NUMBER OF VOTES, CLASSIFIED WITH RESPECT TO SECURITIES ON WHICH BASED			
				Stocks			Other securities with voting power (g)
				Common	PREFERRED		
	(a)	(b)	(c)	(d)	Second (e)	First (f)	
1	The Kansas City Southern						
2	Railway Company	Kansas City, Missouri	108	108	None	None	None
3							
4	W. N. Deramus III	"	1	1	"	"	"
5	T. S. Carter	"	1	1	"	"	"
6	R. J. Blair	"	1	1	"	"	"
7	R. P. Bruening	"	1	1	"	"	"
8	T. A. Giltner	"	1	1	"	"	"
9	G. E. Kellogg	"	1	1	"	"	"
10	M. F. McClain	"	1	1	"	"	"
11	L. J. Tamisiea	"	1	1	"	"	"
12	V. C. Pragman	"	1	1	"	"	"
13	R. E. Zimmerman	"	1	1	"	"	"
14	E. A. Cattelino, Jr.	"	1	1	"	"	"
15	G. D. Dollins	"	1	1	"	"	"
16							
17							
18							
19							
20							
21							
22							
23							
24	Schedule 1C1, Item 12	(Continued from Page)					
25							
26	capital stock, as of that date respondent acquired and commenced the direct						
27	operation of railroad formerly owned and operated by the Fort Smith and Western						
28	Railway between Coal Creek and McCurtain, Oklahoma.						
29							
30							

Footnotes and Remarks

108. STOCKHOLDERS REPORTS

1. The respondent is required to send to the Bureau of Accounts, immediately upon preparation, two copies of its latest annual report to stockholders.

Check appropriate box:

☐ Two copies are attached to this report.

☐ Two copies will be submitted _____ (date)

☒ No annual report to stockholders is prepared.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the accounting requirements followed in column (b). The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
	CURRENT ASSETS	\$	\$
1	(701) Cash	(30)	(76)
2	(702) Temporary cash investments		
3	(703) Special deposits		
4	(704) Loans and notes receivable		
5	(705) Traffic, car service and other balances—Dr.		
6	(706) Net balance receivable from agents and conductors		12
7	(707) Miscellaneous accounts receivable		
8	(708) Interest and dividends receivable		
9	(709) Accrued accounts receivable	2,343	5,177
10	(710) Working fund advances		
11	(711) Prepayments		
12	(712) Material and supplies		
13	(713) Other current assets		
14	(714) Deferred income tax charges (p. 10A)		
15	Total current assets	2,313	5,113
	SPECIAL FUNDS	(a1) Total book assets at close of year	(a2) Respondent's own issued included in (a1)
16	(715) Sinking funds		
17	(716) Capital and other reserve funds		
18	(717) Insurance and other funds		
19	Total special funds		
	INVESTMENTS		
20	(721) Investments in affiliated companies (pp. 16 and 17)		
21	Undistributed earnings from certain investments in account 721 (p. 17A)		
22	(722) Other investments (pp. 16 and 17)		
23	(723) Reserve for adjustment of investment in securities—Credit		
24	Total investments (accounts 721, 722 and 723)		
	PROPERTIES		
25	(731) Road and equipment property: Road	411,981	411,981
26	Equipment		
27	General expenditures	4,596	4,596
28	Other elements of investment		
29	Construction work in progress		
30	Total (p. 13)	416,577	416,577
31	(732) Improvements on leased property: Road		
32	Equipment		
33	General expenditures		
34	Total (p. 12)		
35	Total transportation property (accounts 731 and 732)	416,577	416,577
36	(735) Accrued depreciation—Road and equipment (pp. 21 and 22)	(27,135)	(25,156)
37	(736) Amortization of defense projects—Road and Equipment (p. 14)		
38	Recorded depreciation and amortization (accounts 735 and 736)	(27,135)	(25,156)
39	Total transportation property less recorded depreciation and amortization (line 33 less line 36)	389,442	391,421
40	(737) Miscellaneous physical property	97,288	97,288
41	(728) Accrued depreciation—Miscellaneous physical property (p. 25)		
42	Miscellaneous physical property less recorded depreciation (account 737 less 738)	97,288	97,288
43	Total properties less recorded depreciation and amortization (line 37 plus line 40)	486,730	488,709
	OTHER ASSETS AND DEFERRED CHARGES		
44	(741) Other assets		
45	(742) Unamortized discount on long-term debt		
46	(743) Other deferred charges (p. 26)		
47	(744) Accumulated deferred income tax charges (p. 10A)		
48	Total other assets and deferred charges		
49	TOTAL ASSETS	489,043	493,822

Note.—See page 6 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200 COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY

For instructions covering this schedule, see the text pertaining to General Balance Sheet Accounts in the Uniform System of Accounts for Railroad Companies. The entries in this balance sheet should be consistent with those in the supporting schedules on the pages indicated. The entries in column (c) should be restated to conform with the account requirements followed in column (b). The entries in short column (a1) should reflect total book liability at close of year. The entries in the short column (a2) should be deducted from those in column (a1) in order to obtain corresponding entries for column (b). All contra entries hereunder should be indicated in parenthesis.

Line No.	Account or item (a)	balance at close of year (b)	Balance at beginning of year (c)
	CURRENT LIABILITIES	\$	\$
50	(751) Loans and notes payable (p. 26)		
51	(752) Traffic car service and other balances—Cr.		
52	(753) Audited accounts and wages payable	104,582	58,466
53	(754) Miscellaneous accounts payable		
54	(755) Interest matured unpaid		
55	(756) Dividends matured unpaid		
56	(757) Unmatured interest accrued		
57	(758) Unmatured dividends declared		
58	(759) Accrued accounts payable		
59	(760) Federal income taxes accrued		
60	(761) Other taxes accrued	2,420	2,521
61	(762) Deferred income tax credits (p. 10A)		
62	(763) Other current liabilities		
63	Total current liabilities (exclusive of long-term debt due within one year)	107,002	60,987
	LONG-TERM DEBT DUE WITHIN ONE YEAR	(a1) Total issued	(a2) Held by or for respondent
64	(764) Equipment obligations and other debt (pp. 11 and 14)	130,000	None
	LONG-TERM DEBT DUE AFTER ONE YEAR	(a1) Total issued	(a2) Held by or for respondent
65	(765) Funded debt unmatured (p. 11)	130,000	None
66	(766) Equipment obligations (p. 14)		
67	(767) Receivers' and Trustees' securities (p. 11)		
68	(768) Debt in default (p. 26)		
69	(769) Amounts payable to affiliated companies (p. 14)		
70	Total long-term debt due after one year	257,058	257,058
	RESERVES	257,058	387,058
71	(771) Pension and welfare reserves		
72	(772) Insurance reserves		
73	(774) Casualty and other reserves		
74	Total reserves		
	OTHER LIABILITIES AND DEFERRED CREDITS		
75	(781) Interest in default		
76	(782) Other liabilities		
77	(783) Unamortized premium on long-term debt		
78	(784) Other deferred credits (p. 26)		
79	(785) Accrued depreciation—Leased property (p. 23)		
80	(786) Accumulated deferred income tax credits (p. 10A)		
81	Total other liabilities and deferred credits		
	SHAREHOLDERS' EQUITY	(a1) Total issued	(a2) Held by or for company
	Capital stock (Par or stated value)		
82	(791) Capital stock issued: Common stock (p. 11)	12,000	None
83	Preferred stock (p. 11)		
84	Total		
85	(792) Stock liability for conversion		
86	(793) Discount on capital stock		
87	Total capital stock	12,000	12,000
	Capital surplus		
88	(794) Premiums and assessments on capital stock (p. 25)		
89	(795) Paid-in-surplus (p. 25)		
90	(796) Other capital surplus (p. 25)		
91	Total capital surplus		
	Retained income		
92	(797) Retained income—Appropriated (p. 25)	(17,017)	33,777
93	(798) Retained income—Unappropriated (p. 10)	(17,017)	33,777
94	Total retained income	(5,017)	45,777
95	Total shareholders' equity	489,043	493,822
96	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		

300. INCOME ACCOUNT FOR THE YEAR

1. Give the Income Account of the respondent for the year in accordance with the rules prescribed in the Uniform System of Accounts for Railroad Companies. All contra entries hereunder should be indicated in parentheses.

2. Any unusual accruals involving substantial amounts included in column (b) on lines 7 to 57, inclusive, should be fully explained in a footnote.

3. Line 28 includes only dividends from investments accounted for under the cost method. Line 34 includes only dividends accounted for under the equity method. Line 35 includes the undistributed earnings from investments accounted for under the equity method. Line 36 represents the earnings (losses) of investee companies accounted for under the equity method.

Line No.	Item (a)	Amount for current year (b)
	ORDINARY ITEMS	\$
	OPERATING INCOME	
	RAILWAY OPERATING INCOME	
1	(501) Railway operating revenues (p. 27) _____	92,183
2	(531) Railway operating expenses (p. 28) _____	73,894
3	Net revenue from railway operations _____	18,289
4	(532) Railway tax accruals _____	9,864
5	(533) Provision for deferred taxes _____	
6	Railway operating income _____	8,425
	RENT INCOME	
7	(503) Hire of freight cars and highway revenue equipment—Credit balance _____	
8	(504) Rent from locomotives _____	
9	(505) Rent from passenger-train cars _____	
10	(506) Rent from floating equipment _____	
11	(507) Rent from work equipment _____	
12	(508) Joint facility rent income _____	
13	Total rent income _____	
	RENTS PAYABLE	
14	(536) Hire of freight cars and highway revenue equipment—Debit balance _____	59,678
15	(537) Rent for locomotives _____	315
16	(538) Rent for passenger-train cars _____	
17	(539) Rent for floating equipment _____	
18	(540) Rent for work equipment _____	
19	(541) Joint facility rents _____	59,993
20	Total rents payable _____	(59,993)
21	Net rents (line 13 less line 20) _____	(51,568)
22	Net railway operating income (lines 6,21) _____	
	OTHER INCOME	
23	(502) Revenues from miscellaneous operations (p. 28) _____	
24	(509) Income from lease of road and equipment (p. 31) _____	233
25	(510) Miscellaneous rent income (p. 29) _____	
26	(511) Income from nonoperating property (p. 30) _____	
27	(512) Separately operated properties—Profit _____	
28	(513) Dividend income (from investments under cost only) _____	
29	(514) Interest income _____	
30	(516) Income from sinking and other reserve funds _____	
31	(517) Release of premiums on funded debt _____	
32	(518) Contributions from other companies (p. 31) _____	(a1) 541
33	(519) Miscellaneous income (p. 29) _____	\$ XXXXX
34	Dividend income (from investments under equity only) _____	XXXXX
35	Undistributed earnings (losses) _____	
36	Equity in earnings (losses) of affiliated companies (lines 34,35) _____	774
37	Total other income _____	(50,794)
38	Total income (lines 22,37) _____	
	MISCELLANEOUS DEDUCTIONS FROM INCOME	
39	(534) Expenses of miscellaneous operations (p. 28) _____	
40	(535) Taxes on miscellaneous operating property (p. 28) _____	
41	(543) Miscellaneous rents (p. 29) _____	
42	(544) Miscellaneous tax accruals _____	
43	(545) Separately operated properties—Loss _____	

300. INCOME ACCOUNT FOR THE YEAR—Continued

Line No.	Item (a)	Amount for current year (b)
		\$
44	(549) Maintenance of investment organization _____	
45	(550) Income transferred to other companies (p. 31) _____	
46	(551) Miscellaneous income charges (p. 29) _____	
47	Total miscellaneous deductions _____	(50,794)
48	Income available for fixed charges (lines 38, 47) _____	
	FIXED CHARGES	
49	(542) Rent for leased roads and equipment _____	
	(546) Interest on funded debt:	
50	(a) Fixed interest not in default _____	
51	(b) Interest in default _____	
52	(547) Interest on unfunded debt _____	
53	(548) Amortization of discount on funded debt _____	
54	Total fixed charges _____	(50,794)
55	Income after fixed charges (lines 48,54) _____	
	OTHER DEDUCTIONS	
	(546) Interest on funded debt:	
56	(c) Contingent interest _____	(50,794)
57	Ordinary income (lines 55,56) _____	
	EXTRAORDINARY AND PRIOR PERIOD ITEMS	
58	(570) Extraordinary items—Net Credit (Debit) (p. 9) _____	
59	(580) Prior period items—Net Credit (Debit)(p. 9) _____	
60	(590) Income taxes on extraordinary and prior period items—Debit (Credit) (p. 9) _____	
61	(591) Provision for deferred taxes—Extraordinary and prior period items _____	
62	Total extraordinary and prior period items—Credit (Debit) _____	(50,794)
63	Net income transferred to Retained Income—Unappropriated (lines 57,62) _____	

NOTE.—See page 9 for explanatory notes, which are an integral part of the Income Account for the Year.

305. RETAINED INCOME—UNAPPROPRIATED

1. Show hereunder the items of the Retained Income Accounts of the respondent for the year, classified in accordance with the Uniform System of Accounts for Railroad Companies.

2. All contra entries hereunder should be indicated in parentheses.

3. Indicate under "Remarks" the amount of assigned Federal income tax consequences, accounts 606 and 616.

4. Segregate in column (c) all amounts applicable to the equity in undistributed earnings (losses) of affiliated companies based on the equity method of accounting.

5. Line 2 (line 6 if debit balance), column (c), should agree with line 36, column (b), schedule 300. The total of columns (b) and (c), lines 2 and 6, should agree with line 63, column (b), schedule 300.

6. Include in column (b) only amounts applicable to Retained Income exclusive of any amounts included in column (c).

Line No.	Item (a)	Amount (b)	Amount (c)
1	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at beginning of year*	\$ 33,777	\$
	CREDITS		
2	(602) Credit balance transferred from income		
3	(606) Other credits to retained income†		
4	(622) Appropriations released		
5	Total		
	DEBITS		
6	(612) Debit balance transferred from income	50,794	
7	(616) Other debits to retained income		
8	(620) Appropriations for sinking and other reserve funds		
9	(621) Appropriations for other purposes		
10	(623) Dividends		
11	Total	50,794	
12	Net increase (decrease) during year*	(50,794)	
13	Unappropriated retained income (b) and equity in undistributed earnings (losses) of affiliated companies (c) at end of year*		
14	Balance from line 13 (c)*		XXXXXX
15	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year*	(17,017)	XXXXXX
	Remarks		
	Amount of assigned Federal income tax consequences:		
16	Account 606		XXXXXX
17	Account 616		XXXXXX

*Amount in parentheses indicates debit balance.

†Show principal items in detail.

670. FUNDED DEBT UNMATURED

Give particulars of the various issues of securities in accounts Nos. 764, "Equipment obligations and other debt due within one year" (excluding equipment obligations), and 765, "Funded debt unmatured," at close of the year. Funded debt, as here used, comprises all obligations maturing later than one year after date of issue in accordance with the instructions in the Uniform System of Accounts for Railroad Companies. Show

each issue separately, and make all necessary explanations in footnotes. For the purposes of this report, securities are considered to be *actually issued* when sold to a bona fide purchaser for a valuable consideration, and such purchaser holds free from control by the respondent. All securities actually issued and not reacquired by or for the respondent are considered to be *actually outstanding*. It should be noted that section 20a of the

Interstate Commerce Act makes it unlawful for a carrier to issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption. Entries in columns (k) and (l) should include interest accrued on funded debt reacquired, matured during the year, even though no portion of the issue is outstanding at the close of the year.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	Interest provisions		Total amount nominally and actually issued (f)	Nominally issued and held by for respondent (Identify pledged securities by symbol "P") (g)	Total amount actually issued (h)	Required and held by or for respondent (Identify pledged securities by symbol "P") (i)	Actually outstanding at close of year (j)	Interest during year	
				Rate percent per annum (d)	Dates due (e)						Accrued (k)	Actually paid (l)
1	Secured Promissory	4-1	10-1	4	4-1 &	\$ 130,000	\$ 130,000			\$ 130,000		
2	Note	1941	1975		10-1							
3												
4					Total	130,000	130,000			130,000		

None

Actually issued, \$

None

5 Funded debt canceled: Nominally issued, \$

6 Purpose for which issue was authorized: Issued in liquidation of existing indebtedness Authority of ICC Finance Docket No. 13395.

690. CAPITAL STOCK

Give the particulars called for concerning the several classes and issues of capital stocks of the respondent outstanding at the close of the year, and make all necessary explanations in footnotes. For definition of securities *actually issued* and *actually outstanding* see instructions for schedule 670. It should be noted that section 20a of the Interstate Commerce Act makes it unlawful for a carrier to

issue or assume any securities, unless and until, and then only to the extent that, the Commission by order authorizes such issue or assumption.

Line No.	Class of stock (a)	Date issue was authorized† (b)	Par value per share (c)	Authorized† (d)	Authenticated (e)	Par value of par value or shares of nonpar stock			Actually outstanding at close of year		
						Nominally issued and held by for respondent (Identify pledged securities by symbol "P") (f)	Total amount actually issued (g)	Reacquired and held by or for respondent (Identify pledged securities by symbol "P") (h)	Par value of par-value stock (i)	Shares Without Par Value Number (j)	Book value (k)
1	Common	4-9	\$		\$	\$	\$	\$	\$		\$
2		1910	100	250,000	12,000		12,000				
3											
4											

5 Par value of par value or book value of nonpar stock canceled: Nominally issued, \$

None

Actually issued, \$

None

6 Amount of receipts outstanding at the close of the year for installments received on subscriptions for stocks

None

7 Purpose for which issue was authorized†

Construction of Railroad at Fort Smith, Arkansas.

8 The total number of stockholders at the close of the year was

Thirteen

695. RECEIVERS' AND TRUSTEES' SECURITIES

Give particulars of evidences of indebtedness issued and payment of equipment obligations assumed by receivers and trustees under order of a court as provided for in account No. 767, "Receivers' and trustees' securities." For definition of securities *actually issued* and *actually outstanding*, see instructions for schedule 670.

order of a court as provided for in account No. 767, "Receivers' and trustees' securities." For definition of securities *actually issued* and *actually outstanding*, see instructions for schedule 670.

Line No.	Name and character of obligation (a)	Nominal date of issue (b)	Date of maturity (c)	Interest provisions		Total par value authorized † (f)	Total par value held by or for respondent at close of year		Total par value actually outstanding at close of year (i)	Interest during year	
				Rate percent per annum (d)	Dates due (e)		Nominally issued (g)	Nominally outstanding (h)		Accrued (j)	Actually paid (k)
1						\$	\$	\$	\$		\$
2											
3	NONE										
4					Total						

†By the State Board of Railroad Commissioners, or other public authority, if any, having control over the issue of securities; if no public authority has such control, state the purpose and amounts as authorized by the board of directors and approved by stockholders.

1302. DEPRECIATION BASE AND RATES—ROAD AND EQUIPMENT OWNED AND USED AND LEASED FROM OTHERS

1. Show in columns (b) and (e), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in columns (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December; in columns (d) and (g) show the composite rate used in computing the depreciation charges for the month of December, and on lines 29 and 37 of these columns show the composite percentage for all road and equipment accounts, respectively, ascertained by applying the primary account composite rates to the depreciation base used in computing the charges for December and dividing the total so computed by the total depreciation base for the same month. The depreciation base should not include the cost of equipment used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include the cost of equipment owned and leased to others when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. The composite rates used should be those prescribed or otherwise authorized by the Commission, except that where the use of component rates has been authorized, the composite rates to be shown for the respective

primary accounts should be recomputed from the December charges developed by the use of the authorized rates. If any changes in rates were effective during the year, give full particulars in a footnote.

2. All leased properties may be combined and one composite rate computed for each primary account, or a separate schedule may be included for each such property.

3. Show in columns (e), (f), and (g), data applicable to property, used but not owned, when the rent therefor is included in account No. 542. Report data applicable to improvements to such property, the cost of which is included in account 732 in columns (b), (c) and (d).

4. If the depreciation base for accounts 1, 2 1/2, 3, 5, and 39 includes nondepreciable property, a statement to that effect should be made in a footnote.

5. If depreciation accruals have been discontinued for any account, the depreciation base should be reported nevertheless in support of depreciation reserves. Authority for the discontinuance of accruals should be shown in a footnote indicating the account(s) affected.

Line No.	Account (a)	Owned and used			Leased from others		
		Depreciation base		Annual composite rate (percent) (d)	Depreciation base		Annual composite rate (percent) (g)
		At beginning of year (b)	At close of year (c)		At beginning of year (e)	At close of year (f)	
		\$	\$	%	\$	\$	%
	ROAD						
1	(1) Engineering	5,086	5,086	40			
2	(2 1/2) Other right-of-way expenditures	712	712	2 70			
3	(3) Grading	39,038	39,038	12			
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	43,112	43,112	4 24			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	2,690	2,690	5 00			
8	(16) Station and office buildings	477	477	2 88			
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations						
12	(20) Shops and enginehouses	89	89	2 97			
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals						
18	(26) Communication systems	149	149	2 97			
19	(27) Signals and interlockers						
20	(29) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures						
23	(37) Roadway machines	46	46	9 66			
24	(39) Public improvements—Construction	4,092	4,092	1 60			
25	(44) Shop machinery						
26	(45) Power-plant machinery						
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	95,491	95,491	2 07			
	EQUIPMENT						
30	(52) Locomotives						
31	(53) Freight-train cars						
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment						
36	(58) Miscellaneous equipment						
37	Total equipment						
38	Grand Total	95,491	95,491	2 07			

134500

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KANSAS CITY SOUTHERN RY. CO.

1501. DEPRECIATION RESERVE—ROAD AND EQUIPMENT OWNED AND USED

1. Give the particulars called for hereunder with respect to credits and debits to account No. 735, "Accrued depreciation—Road and Equipment," during the year relating to road and equipment owned and used. This schedule should not include any entries for depreciation of equipment, used but not owned, when the rents therefor are included in the rent for equipment accounts Nos. 536 to 540, inclusive. It should include entries for depreciation of equipment owned but not used when the rents therefrom are included in the rent for equipment accounts Nos. 503 to 507, inclusive. (See schedule 1502 for the reserve relating to road and equipment

owned but not used by the respondent.) If any entries are made for "Other credits" or "Other debits," state the facts occasioning such entries. A debit balance in column (b) or (g) for any primary account should be shown in red or designated "Dr."

2. If there is any inconsistency between the credits to the reserve as shown in column (c) and the charges to operating expenses, a full explanation should be given.

3. All credits or debits to the reserve representing amortization other than for defense projects, if a general amortization program has been authorized, should be entered on line 28.

Line No.	Account (a)	Balance at beginning of year (b)	Credits to reserve during the year		Debits to reserve during the year		Balance at close of year (g)
			Charges to operating expenses (c)	Other credits (d)	Retirements (e)	Other debits (f)	
		\$	\$	\$	\$	\$	\$
	ROAD	(4,189)	20				(4,169)
1	(1) Engineering	446	19				465
2	(2 1/2) Other right-of-way expenditures	(21,518)	47				(21,471)
3	(3) Grading						
4	(5) Tunnels and subways	35,799	1,327				37,626
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures	8,968					8,968
7	(13) Fences, snowsheds, and signs	477					477
8	(16) Station and office buildings	1,742					1,742
9	(17) Roadway buildings	416					416
10	(18) Water stations						
11	(19) Fuel stations	229					229
12	(20) Shops and enginehouses						
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	638					638
18	(26) Communication systems						
19	(27) Signals and interlockers						
20	(27) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures	382					382
23	(37) Roadway machines	1,766	66				1,832
24	(39) Public improvements—Construction						
25	(44) Shop machinery*						
26	(45) Power-plant machinery*						
27	All other road accounts						
28	Amortization (other than defense projects)	25,156	1,979				27,135
29	Total road						
	EQUIPMENT						
30	(52) Locomotives						
31	(53) Freight-train cars						
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment						
36	(58) Miscellaneous equipment						
37	Total equipment						
38	Grand total	25,156	1,979				27,135

*Chargeable to account 2223.