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ANNUAL REPORT 1976 CLASS 1 R.R. 1 of 4

KANSAS CITY SOUTHERN RY. CO.

✓ INTERSTATE
COMMERCE COMMISSION
RECEIVED

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ADMINISTRATIVE SERVICES
BRANCH

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R-1
CLASS I RAILROADS

annual report

RC000352 KANSAS CITY 1 0 1 134500
KANSAS CITY SOUTHERN RY. CO.
AND CONTROLLED COMPA
114 WEST 11TH ST.
KANSAS CITY MO 64105

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

FOR THE YEAR ENDED DECEMBER 31, 1976

NOTICE

1. 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.

(7) (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 \$10,000,000, or more. For this class, Annual Report Form R-1 is provided.

Class II companies are those having annual operating revenues below \$10,000,000. 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, 1976

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) 816 556 - 0303
(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.

Page 11: Schedule 200. Comparative General Balance Sheet - Explanatory Notes

Provision has been made for reporting investment tax credit carryover at year end.

Page 12: Schedule 200. Comparative General Balance Sheet - Liabilities and Shareholders' Equity

Reference to account 772, Insurance reserves, has been deleted.

Page 13: Schedule 200. Comparative General Balance Sheet - Explanatory Notes

Provision has been made for (1) reporting certain pension costs; (2) amounts of deferred maintenance and delayed capital improvements reported to the Commission in Ex Parte No. 305 as of December 31, 1976; and, (3) a statement as to whether a segregated political fund has been established.

Page 18: Schedule 300. Income Account For the Year

Reporting of prior period items has been transferred to Schedule 305, Retained Income - Unappropriated.

Provision has been made for reporting net effect of unusual or infrequent items, gains or losses from disposal of a segment of business and operating results of a discontinued business segment, and the cumulative effect of changes in accounting principles.

Page 20: Schedule 305. Retained Income - Unappropriated

Provision has been made for reporting prior period adjustments to beginning retained income.

Page 21: Schedule 309. Statement of Changes in Financial Position

Schedule was revised to present a more comprehensive statement and incorporate requirements of Accounting Principles Board Opinions Nos. 3 and 19.

Page 21C: Schedule 309S. Changes in Working Capital

This is a new schedule to provide an analysis of working capital.

Page 23A: Schedule 202. Compensating Balances and Short-Term Borrowing Arrangements

Instructions revised to provide reporting of compensating balances constituting support for long-term borrowing arrangements reported in account 717, Insurance and Other Funds.

Page 23B: Schedule 203. Special Deposits

Provision has been made for reporting compensating balances legally restricted on behalf of respondent and on behalf of others.

Page 42: Schedule 211B. Depreciation Base and Rates-Road and Equipment Owned and Used and Leased From Others

Data related to improvements on road and equipment owned and used and leased from others is transferred to Schedule 211B-1.

Page 42A: Schedule 211B-1. Depreciation Base and Rates - Improvements to Road and Equipment Leased From Others

This is a new schedule provided for reporting depreciation base and rates on improvements to road and equipment leased from others.

SPECIAL NOTICE - CONTINUED**Page 45: Schedule 211E. Accrued Liability - Leased Property**

Schedule has been retitled to reflect nature of reported data. Account 733, Accrued Depreciation; Improvements on Leased Property, has been transferred to new Schedule 211E-1.

Page 45A: Schedule 211E-1. Depreciation Reserve - Improvements To Road and Equipment Leased From Others

This is a new schedule provided for reporting accrued depreciation on improvements to road and equipment leased from others.

Page 51A: Schedule 212A. Rental Expense of Lessee

51B: Schedule 212B. Minimum Rental Commitments

51C: Schedule 212C. Lessee Disclosure

51D: Schedule 212D. Lease Commitments - Present Value

51E: Schedule 212E. Income Impact - Lessee

These are new schedules providing for reporting of noncapitalized lease commitments by lessees, to be reported only by carriers with operating revenues of \$10 million or more.

Page 63: Schedule 223. Items in Selected Current Liability Accounts

Instructions are revised to provide for reporting all items of \$250,000; or, if the carrier has no items of \$250,000 or more, show the three largest individual items of \$100,000.

Page 65: Schedule 225. Items in Selected Reserve and Other Liability Accounts

Instructions are revised to delete reference to account 772.

Page 71: Schedule 234. Guaranties and Suretyships

Instructions requiring details of contracts of guaranty or suretyship have been modified to a "description" of the contracts.

Page 87: Schedule 350C. Railway Tax Accruals - Analysis of Federal Income Taxes

Instructions are revised to delete reference to prior period items.

Footnote reporting has been provided to show distribution of tax expense and investment tax credit data.

Page 94: Schedule 396. Items in Selected Income and Retained Income Accounts For the Year

Instructions revised to delete reference to prior period items.

Page 99: Schedule 412. Miles of Road at Close of Year - By States and Territories (Single Track)**Page 100: Schedule 413. Tracks Operated at Close of Year (For S&T Companies Only)****Page 101: Schedule 414. Changes During the Year**

Instructions revised to require reporting of whole miles of track rather than fractional miles.

Page 106: Schedule 417. Inventory of Equipment

"Grand total, all classes of cars" has been deleted.

Page 119: Schedule 516. Rails Laid in Additional Tracks and in New Lines and Extensions

Provision has been made for reporting track-miles of welded rail installed.

Page 122: Schedule 562. Compensation of Officers, Directors, Etc.

Instructions for reporting "other compensation" have been revised to more clearly define the nature of data required in column (d).

Page 123: Schedule 561C. Compensation Applicable to Prior Years

Schedule transferred from Annual Report Form R-1 to Monthly Report of Employees, Service and Compensation Forms A and B.

Page 130: Schedule 585. Competitive Bidding - Clayton Antitrust Act

This is former Schedule 10000 furnished to carriers separately from the Form R-1 in 1975 with advice that it would become an integral part of Form R-1 in 1976.

KANSAS CITY SOUTHERN LINES CONSOLIDATED

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100. SCHEDULES OMITTED BY RESPONDENT

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

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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 Changes During 1976

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

No Changes During 1976

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

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)
1	W. N. Deramus III	Kansas City, Missouri	5-07-74	5-10-77	None
2	T. S. Carter	Kansas City, Missouri	5-13-75	5-09-78	"
3	I. O. Hockaday, Jr.	Kansas City, Missouri	5-07-74	5-10-77	"
4	E. M. Douthat	Kansas City, Missouri	5-07-74	5-10-77	"
5	G. E. Kellogg	Kansas City, Missouri	5-13-75	5-09-78	"
6	H. L. Oppenheimer	Kansas City, Missouri	5-13-75	5-09-78	"
7	E. T. McNally	Pittsburg, Kansas	5-07-74	5-10-77	"
8	John Hawkinson	Chicago, Illinois	5-13-75	5-09-78	"
9	Raymond Gary	Madill, Oklahoma	5-11-76	5-08-79	"
10	W. H. Saunders, Jr.	New Orleans, Louisiana	5-11-76	5-08-79	"
11	Kirke Couch	Shreveport, Louisiana	5-13-75	5-09-78	"
12	J. Pat Beaird	Shreveport, Louisiana	5-11-76	5-08-79	"
13	Edwin Moore	Shreveport, Louisiana	5-11-76	5-08-79	"
14	J. R. Querbes, Jr.	Shreveport, Louisiana	5-11-76	5-08-79	"
15	N. H. Wheless, Jr.	Shreveport, Louisiana	5-07-74	5-10-77	"
16					
17					
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23	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 <u>W. N. Deramus III</u>				
24	Secretary (or clerk) of board <u>G. E. Kellogg</u>				
25	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:				
26	<u>I. O. Hockaday, Jr. (Chairman), W. N. Deramus III, T. S. Carter, J. Pat Beaird, E. M. Douthat, John Hawkinson, E. T. McNally, exercise same powers as Board of Directors when latter is not in session.</u>				
27					

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 of the Board	Executive	W. N. Deramus III	None	Kansas City, Missouri
2	Chairman - Executive Committee	Executive	I. O. Hockaday, Jr.	"	Kansas City, Missouri
3	President	Executive	T. S. Carter	"	Kansas City, Missouri
4	Senior Vice President	Executive	R. E. Zind	"	Kansas City, Missouri
5	Senior Vice President				
6	and Secretary				
7	Vice President -	Executive	G. E. Kellogg	"	Kansas City, Missouri
8	Marketing				
9	Vice President	Executive	M. F. McClain	"	Kansas City, Missouri
10	Vice President	Personnel	D. E. Farrar	"	Kansas City, Missouri
11	Vice President	Traffic	L. J. Tamisica	"	Kansas City, Missouri
12	Vice President and				
13	Comptroller	Accounting	T. A. Giltner	"	Kansas City, Missouri
14	Vice President - Law	Legal	R. E. Zimmerman	"	Kansas City, Missouri
15	Treasurer	Treasury	V. C. Pragman	"	Kansas City, Missouri
16	General Manager	Operating	J. E. Gregg	"	Kansas City, Missouri
17	Asst. General Manager	Mechanical	T. T. Souter	"	Kansas City, Missouri
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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 company.

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 control 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	Transportation	Stock Ownership	100%	None
2	and Terminal Company	Transportation	Stock Ownership	100%	"
3	Kansas City Southern Transport Co.	Transportation	Stock Ownership	100%	"
4	Landa Motor Lines	Transportation	Stock Ownership	100%	"
5	Louisiana, Arkansas & Texas	Transportation	Stock Ownership	100%	"
6	Transportation Company	Transportation	Stock Ownership and Management	33 1/3%	ATSF - 33 1/3)
7	Joplin Union Depot Company	Transportation	Stock Ownership	100%	MKT RR - 33 1/3)
8	Southern Development Company	Real Estate	Stock Ownership	100%	None
9	Tolmak, Inc.	Real Estate	Stock Ownership	100%	"
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					

104B. 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, 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					
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9					
10					
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12					
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26					
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28					
29					
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31					

104C. 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)	Forms of Control (c)	Extent of control (d)	Name of controlling company or individual (e)
1	Data-Sys-Tance, Inc.	Stock Transfer	Stock Ownership	81%	K.C. Southern Industries, Inc.
2	Mid-America Television Co.	Television Stations	Stock Ownership	100%	K.C. Southern Industries, Inc.
3	Oliver Advertising, Inc.	Advertising	Stock Ownership	80%	K.C. Southern Industries, Inc.
4	Pabtex, Inc.	Real Estate	Stock Ownership	100%	K.C. Southern Industries, Inc.
5	Veals, Inc.	Microwave Rental & Mtnc.	Stock Ownership	100%	K.C. Southern Industries, Inc.
6	Alfred Lindgren, Inc.	Construction	Stock Ownership	100%	K.C. Southern Industries, Inc.
7	The American-Coleman Company	Manufacturing	Stock Ownership	100%	K.C. Southern Industries, Inc.
8	Rice-Carden Corporation	Real Estate	Stock Ownership	100%	K.C. Southern Industries, Inc.
9	American-Coleman Intl. Corp.	Export	Stock Ownership	100%	The American-Coleman Company
10	Carland, Inc.	Equipment Leasing	Stock Ownership	75%	Rice-Carden Corporation
11	Grasis Corporation	Manufacturing	Stock Ownership	80%	Rice-Carden Corporation
12	Grasis International Corp.	Export	Stock Ownership	100%	Grasis Corporation
13	Data-Sys-Tance Securities, Inc.	Investments	Stock Ownership	100%	Data-Sys-Tance, Inc.
14	Systec Data Management, Inc.	Computer Programming	Stock Ownership	100%	Data-Sys-Tance, Inc.
15	DST Credit Services, Inc.	Automated Credit Services	Stock Ownership	100%	Data-Sys-Tance, Inc.
16	DST-Computer-Services, S.A.	Computer Service	Stock Ownership	32%	Data-Sys-Tance, Inc.
17	Investors Fiduciary Trust Co.	Limited Trust Company	Stock Ownership	99%	Data-Sys-Tance, Inc.
18	Lindgren-White Construction Co.	Construction	Stock Ownership	100%	Alfred Lindgren, Inc.
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
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35					

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

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				
10				
11				
12				
13				
14				
15				
16				
17				
18				
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.

109. VOTING POWERS AND ELECTIONS

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.

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

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 31, 1976 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, 1976

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7. 246 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 Assn. Soc.	1285 Ave of Amer, NY.	62,500			62,500
3	Louisiana & Arkansas Ry. Co.	114 W 11th, K.C., MO.	38,013	31,628		6,385
4	Manufacturers Hanover Trust	40 Wall St, NY., NY.	4,000			4,000
5	First National Bank Seattle	Bx 12657, Seattle, WA	2,000			2,000
6	First Penn Banking & Tr. Co.	Bx 3786, Phila., PA.	1,680			1,680
7	Macrae Company	1511 Norton Bg, Seattle	1,271			1,271
8	The KC Southern Railway Co.	114 W 11th, K.C., MO.	956	916		40
9	Paul P. Ashley	4400 Ste 1st Bk, WA.	856			856
10	Ctl. Illinois Ntl Bk & Trust	TL Bx H, Chicago, IL.	600			600
11	Frank J. Laird	1700 Mkt, Phila., PA.	592	592		
12	J. C. Thompson	1320W Short, Indep MO	577			577
13	Newton W. Galley	22221 Fall Cty Redmd WA	500			500
14	M. J. McKillop	R1 Bx 48 Friday Hbr WA	500			500
15	Peavy Wilson Land & Mntl Crp	Bx 1103, S'port, LA.	500			500
16	H. B. Idleman	38 RolngHill, Chatman NJ	467			467
17	Honigman Bros.	111 Broadway, NY, NY	400	400		
18	H. M. Hearne	1123 Com Ntl. S'port	400	400		
19	I. G. Derrick	8656 S Mt Mjstc	400			400
20	Greater KC Union Pension Fnd	8301 StateLine, KC MO	340			340
21	R. Mitchell	5900 Mison Mission KS	330			330
22	P. Dunn	15Cliff, Swampscott MA	300			300
23	N. E. Laffey	25Mntvw, Shrt Hill NJ	300			300
24	Merrill & Co.	225 Franklin Bstn MA	300			300
25	R. C. Sisson	160CurySausalito, CA	300			300
26	J. F. Day	Rbt H1 NewPreston CT	250			250
27	Wallace & Co.	Bx 1119, S'port, LA.	250			250
28	E. F. Frith	R1 Bx449, Liberty, MO.	240			240
29	G. E. Rothenhoefer	8713 76thWoodhvn, NY.	230			230
30	W. H. Biggs	319 N 4, St Louis, MO.	200			200

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

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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. 1,386,404
votes cast.
11. Give the date of such meeting. May 16, 1976
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		(3,505)	(3,157)
2	(702) Temporary cash investments (p. 23)		2,060	8,475
3	(703) Special deposits (p. 23)		227	70
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		1	178
7	(707) Miscellaneous accounts receivable		1,781	1,010
8	(708) Interest and dividends receivable		58	42
9	(709) Accrued accounts receivable (p. 23)		11,517	10,015
10	(710) Working fund advances		747	747
11	(711) Prepayments (p. 23)		581	434
12	(712) Material and supplies		11,884	8,943
13	(713) Other current assets (p. 23)		64	75
14	(714) Deferred income tax charges (p. 87)			
15	Total current assets		25,415	26,832
	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)	8	None	8
17	(716) Capital and other reserve funds (pp. 24 and 25)	1,187	None	820
18	(717) Insurance and other funds (pp. 24 and 25)	105	None	105
19	Total special funds		1,300	933
	INVESTMENTS			
20	(721) Investments in affiliated companies (pp. 28-31)		16,123	13,987
21	Undistributed earnings from certain investments in account 721 (pp. 35A and 35B)		(1,417)	(1,258)
22	(722) Other investments (pp. 32-35)		6	7
23	(723) Reserve for adjustment of investment in securities—Credit (p. 27, Instruction 9)		(40)	(40)
24	Total investments (accounts 721, 722 and 723)		14,672	12,696
	PROPERTIES			
25	(731) Road and equipment property: Road		126,267	122,190
26	Equipment		118,898	126,522
27	General expenditures		3,126	3,131
28	Other elements of investment			
29	Construction work in progress		6,056	6,268
30	Total (pp. 38-41)		254,347	258,111
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)		254,347	258,111
36	(733) Accrued depreciation—Improvements on leased property (p. 45)			
37	(735) Accrued depreciation—Road and equipment (pp. 44 and 46)		(56,405)	(56,148)
38	(736) Amortization of defense projects—Road and Equipment (p. 47)		(533)	(552)
39	Recorded depreciation and amortization (accounts 733, 735 and 736)		(56,938)	(56,700)
40	Total transportation property less recorded depreciation and amortization (line 35 less line 39)		197,409	201,411
41	(737) Miscellaneous physical property (pp. 52 and 53)		5,278	5,445
42	(738) Accrued depreciation—Miscellaneous physical property (pp. 52 and 53)		(800)	(746)
43	Miscellaneous physical property less recorded depreciation (account 737 less 738)		4,478	4,699
44	Total properties less recorded depreciation and amortization (line 40 plus line 43)		201,887	206,110

COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued on page 11

NOTE—See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet. For compensating balances not legally restricted, see Schedule 202.

200.—COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at begin- ning of year (c)
	OTHER ASSETS AND DEFERRED CHARGES		\$	\$
45	(741) Other assets (p. 54)		261	344
46	(742) Unamortized discount on long-term debt		109	121
47	(743) Other deferred charges (p. 54)		4,184	3,833
48	(744) Accumulated deferred income tax charges (p. 87)			
49	Total other assets and deferred charges		4,554	4,298
50	TOTAL ASSETS		247,828	250,869

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 lines 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 entries 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 \$ 2,617

(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 \$ 25,279

—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 \$ 11,532

(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 786. Accumulated deferred income tax 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

(iii) Show the amount of investment tax credit carryover at year end \$ 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 \$ 3,800

(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 \$ 557

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

Description of obligation	Year accrued	Account No.	Amount

Continued on following page

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 parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)	
CURRENT LIABILITIES					
51	(751) Loans and notes payable (p. 63)		\$	\$	
52	(752) Traffic, car service and other balances—Cr.		385	61	
53	(753) Audited accounts and wages payable		3,279	3,871	
54	(754) Miscellaneous accounts payable		1,036	900	
55	(755) Interest matured unpaid		44	65	
56	(756) Dividends matured unpaid		46	46	
57	(757) Unmatured interest accrued		1,092	1,263	
58	(758) Unmatured dividends declared				
59	(759) Accrued accounts payable (p. 63)		10,936	10,109	
60	(760) Federal income taxes accrued (p. 64)		(67)	(205)	
61	(761) Other taxes accrued (p. 64)		1,868	1,729	
62	(762) Deferred income tax credits (p. 87)				
63	(763) Other current liabilities (p. 63)		4,571	3,856	
64	Total current liabilities (exclusive of long-term debt due within one year)		23,190	21,695	
LONG-TERM DEBT DUE WITHIN ONE YEAR					
65	(764) Equipment obligations and other debt (pp. 56-59)	(a1) Total issued 7,275	(a2) Held by or for respondent None	7,275	7,793
LONG-TERM DEBT DUE AFTER ONE YEAR					
66	(765) Funded debt unmatured	(a1) Total issued 36,495	(a2) Held by or for respondent 1,529	34,966	36,183
67	(766) Equipment obligations	30,388	None	30,388	37,188
68	(767) Receivers' and Trustees' securities	(pp. 56-59)			
69	(768) Debt in default				
70	(769) Amounts payable to affiliated companies (p. 62)			470	181
71	Total long-term debt due after one year			65,824	73,552
RESERVES					
72	(771) Pension and welfare reserves (p. 65)				
73	(774) Casualty and other reserves (p. 65)			3,449	3,198
74	Total reserves			3,449	3,198
OTHER LIABILITIES AND DEFERRED CREDITS					
75	(781) Interest in default (p. 58)				
76	(782) Other liabilities (p. 65)			370	262
77	(783) Unamortized premium on long-term debt			88	101
78	(784) Other deferred credits (p. 65)			1,731	1,739
79	(785) Accrued liability—Leased property (p. 45)				
80	(786) Accumulated deferred income tax credits (p. 87)			27,697	26,758
81	Total other liabilities and deferred credits			29,886	28,860
SHAREHOLDERS' EQUITY					
Capital stock (Par or stated value)		(a1) Total issued	(a2) Nominally issued securities		
82	(791) Capital stock issued: Common stock (p. 61)	36,000		36,000	36,000
83	Preferred stock (p. 67)	21,000		21,000	21,000
84	Total	57,000		57,000	57,000
85	(792) Stock liability for conversion (p. 68)				
86	(793) Discount on capital stock				
87	Total capital stock			57,000	57,000
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)			4,645	4,645
91	Total capital surplus			4,912	4,912

**COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—
CONTINUED ON PAGE 13.**

Note.—See page 11 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—Continued

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	Retained income			
92	(797) Retained income—Appropriated (p. 69)		\$ 1,647	\$ 1,356
93	(798) Retained income—Unappropriated (p. 20)		56,111	53,969
94	Total retained income		57,758	55,325
	Treasury Stock			
95	(798.5) Less: Treasury stock		1,466	1,466
96	Total shareholders' equity		118,204	115,771
97	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		247,828	250,869

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) Show amount of past service pension costs determined by actuaries at year end \$

(c) Total pension costs for year:

Normal costs \$

Amortization of past service costs \$

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

(e) Is any part of pension plan funded? Specify. Yes No ☒ None

(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

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

(g)(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?

EXPLANATORY NOTES ARE CONTINUED ON PAGE 14

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—Concluded**200. COMPARATIVE GENERAL BALANCE SHEET-EXPLANATORY NOTES—Concluded**

7. State whether a segregated political fund has been established as provided by the Federal Election Campaign Act of 1971 (18 U.S.C. 610).
YES _____ NO X _____

8. State separately amounts of deferred maintenance and delayed capital improvements as reported to the Commission in Ex Parte No. 505 as of December 31, 1976:

Deferred maintenance	\$	4,917
Delayed capital improvements	\$	51,701

NOTES AND REMARKS

Road Initials:

Year: 1976

KANSAS CITY SOUTHERN LINES CONSOLIDATED

15

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 \$2,000,000, 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. 51, "Dividend income," \$250,000; Account No. 342, "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)	147,393	128,718	
2	(531) Railway operating expenses (p. 74)	113,059	100,965	
3	Net revenue from railway operations	34,334	27,753	
4	(532) Railway tax accruals (p. 86)	12,414	10,771	
5	(533) Provision for deferred taxes (p. 87)	790	200	
6	Railway operating income	21,130	16,782	
	Rent Income			
7	(503) Hire of freight cars and highway revenue equipment—			
	Credit balance (p. 90)			
8	(504) Rent from locomotives (p. 91)	71	178	
9	(505) Rent from passenger-train cars (p. 91)			
10	(506) Rent from floating equipment			
11	(507) Rent from work equipment	4	3	
12	(508) Joint facility rent income	414	524	
13	Total rent income	489	705	
	Rents Payable			
14	(536) Hire of freight cars and highway revenue equipment—			
	Debit balance (p. 90)	12,784	9,253	
15	(537) Rent for locomotives (p. 91)	1,145	734	
16	(538) Rent for passenger-train cars (p. 91)			
17	(539) Rent for floating equipment			
18	(540) Rent for work equipment	189	192	
19	(541) Joint facility rents	820	870	
20	Total rents payable	14,938	11,049	
21	Net rents (lines 13, 20)	(14,449)	(10,344)	
22	Net railway operating income (lines 6, 21)	6,681	6,438	
	Other Income			
23	(502) Revenues from miscellaneous operations (p. 53)			
24	(509) Income from lease of road and equipment (p. 88)	63		
25	(510) Miscellaneous rent income (p. 88)	566	401	
26	(511) Income from nonoperating property (p. 53)	235	200	
27	(512) Separately operated properties—Profit (p. 89)			
28	(513) Dividend income (from investments under cost only)	48	48	
29	(514) Interest income	311	226	
30	(516) Income from sinking and other reserve funds	34	29	
31	(517) Release of premiums on funded debt	13	16	
32	(518) Contributions from other companies			
33	(519) Miscellaneous income (p. 94)	641	836	
34	Dividend income (from investments under equity only)	\$	x x x x	x x x x
35	Undistributed earnings (losses)	(159)	x x x x	x x x x
36	Equity in earnings (losses) of affiliated companies (lines 34, 35)	(159)	(19)	x x x x
37	Total other income	1,752	1,737	
38	Total income (lines 22, 37)	8,433	8,175	
	Miscellaneous Deductions From Income			
39	(534) Expenses of miscellaneous operations (p. 53)			
40	(535) Taxes on miscellaneous operating property (p. 52)			
41	(543) Miscellaneous rents (p. 93)	1,057	971	
42	(544) Miscellaneous tax accruals (p. 53)	8	8	
43	(545) Separately operated properties—Loss (p. 89)			

300. INCOME ACCOUNT FOR THE YEAR—Continue¹

¹ "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 parentheses.
(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

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)	Line No.
\$	\$	\$	\$	\$	\$	\$	
147,393		147,393					1
113,059		113,059					2
x x x x x	x x x x x	34,334	x x x x x	x x x x x			3
12,414		12,414					4
790		790					5
x x x x x	x x x x x	21,130	x x x x x	x x x x x			6
							7
71		71					8
							9
							10
4		4					11
414		414					12
x x x x x	x x x x x	489	x x x x x	x x x x x			13
12,784		12,784					14
1,145		1,145					15
							16
							17
189		189					18
820		820					19
x x x x x	x x x x x	14,938	x x x x x	x x x x x			20
x x x x x	x x x x x	(14,449)	x x x x x	x x x x x			21
x x x x x	x x x x x	6,681	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

500. 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)	426	784	
47	Total miscellaneous deductions	1,491	1,763	
48	Income available for fixed charges (lines 38, 47)	6,942	6,412	
	Fixed Charges			
49	(542) Rent for leased roads and equipment (p. 92)	231	235	
	(546) Interest on funded debt:			
50	(a) Fixed interest not in default	4,264	4,832	
51	(b) Interest in default			
52	(547) Interest on unfunded debt			
53	(548) Amortization of discount on funded debt	14	18	
54	Total fixed charges	4,509	5,085	
55	Income after fixed charges (lines 48, 54)	2,433	1,327	
	Other Deductions			
	(546) Interest on funded debt:			
56	(c) Contingent interest			
57	(555) Unusual or infrequent items-Net-(Debit) credit*			
58	Income (loss) from continuing operations (lines 55-57)	2,433	1,327	
	DISCONTINUED OPERATIONS			
59	(560) Income (loss) from operations of discontinued segments*			
60	(562) Gain (loss) on disposal of discontinued segments*			
61	Total income (loss) from discontinued operations (lines 59, 60)			
62	Income (loss) before extraordinary items (lines 58, 61)	2,433	1,327	
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES			
63	(570) Extraordinary items-Net-(Debit) credit (p. 94)			
64	(590) Income taxes on extraordinary items-Debit (credit) (p. 94)			
65	(591) Provision for deferred taxes-Extraordinary items (p. 87)			
66	Total extraordinary items (lines 63-65)			
67	(592) Cumulative effect of changes in accounting principles*			
68	Total extraordinary items and accounting changes-(Debit) credit-(lines 66, 67)			
69	Net income (loss) transferred to Retained Income-Unappropriated (lines 62, 68)	2,433	1,327	

* Less applicable income taxes of:

\$

555 Unusual or infrequent items-Net-(Debit) credit

560 Income (loss) from operations of discontinued segments

565 Gain (loss) on disposal of discontinued segments

592 Cumulative effect of changes in accounting principles

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

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"; and 590, "Income taxes on extraordinary 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 3 (line 7 if debit balance), column (c), should agree with line 35, column (b), schedule 300. The total of columns (b) and (c), lines 3 and 7, 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)	Retained income- Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balances at beginning of year	\$ 55,227	\$ (1,258)
2	(601.5) Prior period adjustments to beginning retained income		
	CREDITS		
3	(602) Credit balance transferred from income	2,592	
4	(606) Other credits to retained income		
5	(622) Appropriations released	600	
6	Total	3,192	
	DEBITS		
7	(612) Debit balance transferred from income		159
8	(616) Other debits to retained income		
9	(620) Appropriations for sinking and other reserve funds	600	
10	Transfer incentive per diem to appropriated	291	
11	(623) Dividends (p. 20)		
12	Total	891	159
13	Net increase (decrease) during year (Line 5 minus line 11)	2,301	(159)
14	Balances at close of year (Lines 1 and 13)	57,528	(1,417)
15	Balance from line 13 (c)	(1,417)	x x x x x
16	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year	56,111	x x x x x
	Remarks		
	Amount of assigned Federal income tax consequences:		
17	Account 606		x x x x x
18	Account 616		x x x x x

Note: See p. 34, 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.

4. Report dollars in thousands.

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 application 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. Use reference columns (a), (b) and (c) as a guide in presenting and computing the requested information as follows:

Column

Reference

- (a) Schedules in this report where disclosure may be found.
 (b) Applicable line number in reference schedule.
 (c) Applicable column(s) in reference schedule.

When two or more line numbers of columns appear in reference columns, add or subtract the amounts as indicated. For example, the notation "(a)" - "(b)" in reference column (c) means to subtract the amount in column (b) from the amount in column (a).

Line No.	Reference			Description (d)	Amount (e)
	Schedule (a)	Line (b)	Column (c)		
SOURCES OF WORKING CAPITAL					
1	300	62	(b)	Working capital provided by operations: Net income (loss) before extraordinary items	2,433
2	324	17	(b)	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:	
3	396	-	-	Retirement of nondepreciable property	22
4	NOTE A	-	-	Loss (gain) on sale or disposal of tangible property	
5	300	5	(b)	Add depreciation and amortization expenses	6,723
6	300	35	(a)	Net increase (decrease) in deferred income taxes	790
7	200	71,74	(b) - (c)	Net decrease (increase) in parent's share of subsidiary's undistributed income for the year	129
8				Net increase (decrease) in noncurrent portion of estimated liabilities	251
9				Other (specify):	
10				Increase in other liabilities and deferred credits	236
11					
12					
13					
14					
15					
16					
17					
18				Total working capital from operations before extraordinary items	10,614

309-STATEMENT OF CHANGES IN FINANCIAL POSITION—Continued

Line No.	Reference			Description (d)	Amount (e)
	Schedule (a)	Line (b)	Column (c)		
19	300	68	(b)	Working capital provided by operations (Continued):	\$
				Extraordinary items and accounting changes	
20	300	63	(b)	Add expenses not requiring outlay of working capital; (subtract) credits not generating working capital:	
21	300	65	(b)	Loss (gain) on extraordinary items	
22	300	67	(b)	Net increase (decrease) in deferred income taxes	
				Cumulative effect of changes in accounting principles	
				Other (specify):	
23					
24					
25					
26					
27					
28				Total working capital from extraordinary items and accounting changes	10,614
29				Total working capital from operations (lines 18 and 28)	
30				Working capital from sources other than operating:	
31			-	Proceeds from issuance of long-term liabilities	1,654
32			-	Proceeds from sale/disposition of carrying operating property	132
33			-	Proceeds from sale/disposition of other tangible property	299
			(l)	Proceeds from sale/repayment of investments advances	
34	205	99	(k)		
35	206	99	(f)		
	204	41	(f)	Net decrease in sinking and other special funds	
	229	15	(e) + (f)	Proceeds from issue of capital stock	
			-(i)	Other (specify):	
36					
37				Account 769 - Advance from Kansas and Missouri Railway and	
38				Terminal Company	341
39					
40					
41				Total working capital from sources other than operating	2,426
42				Total sources of working capital (lines 29 and 41)	13,040

See APPLICATION OF WORKING CAPITAL on following page

309-STATEMENT OF CHANGES IN FINANCIAL POSITION—Concluded

Line No.	Reference		Description (d)	Amount (e)
	Schedule (a)	Line (b)	Column (c)	
			APPLICATION OF WORKING CAPITAL	\$
43	-	-	Amount paid to acquire/retire long-term liabilities	8,017
44	305	10	Cash dividends	
45	211	52	Purchase price of carrier operating property	4,305
46	-	-	Purchase price of other tangible property	2
47	205	99	Purchase price of long-term investments and advances	2,455
48	206	99	Net increase in sinking or other special funds	367
49	204	41	Purchase price of acquiring treasury stock	
	229	15	Other (specify):	
50	-	-	Increase in other assets and deferred charges	256
51				
52			Account 769 refunded to The Kansas and Missouri Railway and	
53			Terminal Company	52
54			Total application of working capital	15,434
55			Net increase (decrease) in working capital (line 42 less line 55) (show computations in Schedule 309S)	(2,394)
56				

NOTE A: Furnish the actual amount of depreciation and amortization expenses taken during the year. The following can be used as references:

Schedule	Line	Column
322	26	(b)
326	3	(b)
330	9	(b)
214	22	(j)
200	46	(b) - (c)
200	78	(b) - (c)

309S.-CHANGES IN WORKING CAPITAL

Compute the net changes in each element of working capital.

Line No.	References		Description (d)	Balance, close of year (e)	Balance, beginning of year (f)	Net increase (decrease) (g)
	Schedule (a)	Line (b)	Column (c)			
1	200	12	(b)	1,445)	5,318)	(6,763)
2	200	4	(b)			
3	200	11	(b)	581	434	147
4	200	12	(b)	11,884	8,943	2,941
5	-	-	-	14,395	12,137	2,258
6	200	51	(b)	10,936	10,109	(827)
7	200	59	(b)	7,275	7,793	518
8	200	65	(b)	12,254	11,586	(668)
9	-	-	-	(5,050)	(2,656)	(2,394)
10						

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"; 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 many 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)
1	702	<u>Temporary Cash Investments</u>		\$
2				
3		G.M.A.C. - Notes		1,000
4		Ford Motor Credit Co. - Notes		350
5		C.I.T. - Notes		300
6		Sears, Roebuck Accept. Corp. - Notes		250
7		Johnson City, Tennessee - Revenue Bonds		160
8		Total Account 702		2,060
9				
10	704	<u>Loans And Notes Receivable</u>		None
11				
12	709	<u>Accrued Accounts Receivable</u>		
13				
14		Unreported Freight Revenue In Transit		8,819
15		Construction Projects Due From Others		798
16		MILW-KCS Joint Agency Payroll Expense		430
17		Derailment Expense Due From Others		338
18		Accrue Amount Due From Increased Switching Rates		274
19		Joint Facility Items With Other Railroads		269
20		Car Repair Bills Receivable		170
21		Rack Rental Due From Trailer Train		120
22		Freight Transportation Due From Others		39
23		Refundable Federal Excise Tax		32
24		Other Items, Each Less Than \$250,000		228
25		Total Account 709		11,517
26				
27	711	<u>Prepayments</u>		
28				
29		Prepaid Insurance Premiums		479
30		Prepaid Rents		102
31		Total Account 711		581
32				
33	713	<u>Other Current Assets</u>		
34				
35		Advance In Transit And Unadjusted Charges		64
36				
37				

Schedule 202.-COMPENSATING BALANCES AND SHORT-TERM BORROWING ARRANGEMENTS

Using the following notes as a guideline, show the requirements of compensating balances and short-term borrowing arrangements if operating revenues are \$10 million or more. Footnote disclosure is required even though the arrangement is not reduced to writing.

1. Disclose compensating balances not legally restricted, lines of credit used and unused, average interest rate of short-term borrowings outstanding at balance sheet date, maximum amount of outstanding borrowings during the period and the weighted average rate of those borrowings.
2. Time deposits and certificates of deposit constituting compensating balances not legally restricted should be disclosed.
3. Compensating balance arrangements need only be disclosed for the latest fiscal year.
4. Compensating balances under an agreement which legally restricts the use of such funds, and which constitute support for short-term borrowing arrangements, should be included in Schedule 203, account 703, Special deposits.
5. Compensating balances under an agreement which legally restricts the use of such funds and which constitute support for long-term borrowing arrangements and are reported in account 717, Insurance and other funds, should also be separately disclosed below.
6. Compensating balance arrangements are sufficiently material to require disclosure in footnotes when the aggregate of written and oral agreement balances amount to 15 percent or more of liquid assets (current cash balances, restricted and unrestricted plus marketable securities).
7. When a carrier is not in compliance with a compensating balance requirement, that fact should be disclosed along with stated and possible sanctions whenever such possible sanctions may be immediate (not vague or unpredictable) and material.

In January 1975, the Company obtained a \$5,000,000 bank line of credit. All loans under this arrangement will be at a rate of 1/2% over prime rate. This agreement includes a provision requiring compensating balances of 10% on the total amount of the commitment plus 10% on any borrowed portion of said commitment. During fiscal 1976 and 1975 no funds were borrowed on the above described line of credit and compensating balance requirements have been met with restricted funds included in other assets.

Schedule 203.—SPECIAL DEPOSITS

For other than compensating balances, state separately each item of \$250,000 or more reflected in account 703, Special deposits, at the close of the year. Items of less than \$250,000 may be combined in a single entry and described as "Minor items less than \$250,000". For compensating balances, state separately the total amounts held on behalf of respondent and held on behalf of others.

Line No.	Purpose of deposit (a)	Balance at close of year (b)
		\$
	Interest special deposits:	
1		
2	First Mortgage, 3-1/4% Bonds	19
3	Prior Bonds Called	3
4		
5		
6	Total	22
	Dividend special deposits:	
7		
8	Preferred and Common Stock	2
9		
10		
11		
12	Total	2
	Miscellaneous special deposits:	
13		
14	Insurance Deposit	3
15	American National Bank and Trust Co. of Chicago for	
16	lease of locomotives	200
17		
18	Total	203
	Compensating balances legally restricted:	
19	Held on behalf of respondent	
20	Held on behalf of others	
21	Total A/C 703	227

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 depositary
	(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		Deposits for destroyed equipment	Chemical and Manufacturers Trust Co.
9			
10		Mortgage property sold	Chemical Bank - New York
11			
12		Voting Trust Certificates	
13		Preferred Stock	Chemical Bank - New York
14		Common Stock	Chemical Bank - New York
15			
16		Incentive Per Diem	Chemical Bank - New York
17			
18			Total Account 716
19			
20			
21	717	<u>Insurance And Other Funds</u>	
22			
23		Barclays Bank	Nassau Bahamas
24			
25			
26			
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 begin- ning 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)	Book value Securities issued or assumed by respondent (i)	Other securities and invested assets (j)	
\$							1
8			8	8			2
							3
							4
							5
							6
58	5		63	7		56	7
	424	374	50	50			8
							9
							10
2			2	2			11
4			4	4			12
							13
756	312		1,068	498		570	14
820	741	374	1,187	561		626	15
							16
							17
							18
							19
							20
105			105			105	21
							22
							23
							24
							25
							26
							27
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							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			<u>Investments In Affiliated Companies</u>	% \$	\$	
2							
3				<u>Capital Stock</u>			
4							
5	A-1	VII		Kansas City Terminal Railway Co.	8-1/3	23	
6				Joplin Union Depot Company	33-1/3	10	
7				Louisiana, Arkansas & Texas Transpn. Co.	100		10
8				Landa Motor Lines	100		20
9				The Pullman Company	(Negligible)		10
10				Trailer Train Company	2.9		99
11							
12				Total Class A-1		193	139
13							
14	A-3	VI		Tolmak, Inc.	100		1,239
15		VI		Southern Development Company	100		10
16		X		Kansas City Southern Ind. - Preferred	3		1,038
17							
18				Total Class A-3			2,287
19				Total Class A		193	2,426
20							
21				<u>Notes</u>			
22							
23	D-1	VII		Railway Express Agency	(Negligible)		10
24	A-1	VII		Trailer Train Company	(Negligible)		154
25							
26				Total Notes			164
27							
28				<u>Investment Advances</u>			
29							
30	E-1	VII		Kansas City Terminal Railway Co.	8-1/3		1,965
31		VII		Joplin Union Depot Company	33-1/3		178
32		VII		Kansas City Southern Transport Co., Inc.	100		595
33		VII		Landa Motor Lines	100		194
34		VII		Louisiana, Arkansas & Texas Transpn. Co.	100		600
35							
36				Total Class E-1			3,532
37							
38	E-3	VI		Southern Development Company	100		3,778
39		VI		Tolmak, Inc.	100		3,910
40		X		Kansas City Southern Industries, Inc.	3		2,120
41							
42				Total Class E-3			9,808
43				Total Class E			13,340
44							
45				Total Account 721		193	15,930
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 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 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.
In sinking, insurance, and other funds (h)	Total book value (i)		Book value (k)	Selling price (l)	Rate (m)	Amount credited to income (n)	
\$	\$	\$	\$	\$	%	\$	
							1
							2
							3
	183						4
	10						5
	10						6
	20						7
	10						8
	99						9
							10
	332						11
							12
	1,239						13
	10						14
	1,038				\$1.00	Sh 48	15
							16
	2,287					48	17
	2,619					48	18
							19
							20
							21
	10						22
	154				6½-7½	11	23
							24
	164					11	25
							26
							27
							28
	1,965	250					29
	178						30
	595						31
	194						32
	600						33
							34
	3,532	250					35
							36
	3,778						37
	3,910		235	235			38
	2,120	2,185	64	64	6½-7½	97	39
							40
	9,808	2,185	299	299		97	41
	13,340	2,435	299	299		97	42
							43
	16,123	2,435	299	299		156	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	
					Pledged (e)	Unpledged (f)
	715			<u>Sinking Funds</u>	\$	\$
1						
2						
3				Series C First Mortgage 3-1/4% Bonds		8
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		63
10						
11	C-3	X		Chemical Bank - Incentive Per Diem		1,068
12				Chemical Bank - Trustee - Cash		50
13				Voting Trust Certificates -		
14				Preferred and Common		6
15						
16				Total Account 716		1,187
17						
18						
19	717			<u>Insurance And Other Funds</u>		
20						
21	C-3	VI		Barclays Bank, Nassau Bahamas		105
22						
23						
24	722			<u>Other Investments</u>		
25						
26	A-3	X		Greater Springhill Corporation		10 Shares
27				Club Memberships		1
28				Sallisaw Industrial Corporation		1
29				First Missouri Development Corporation		1
30						
31	B-3	X		Louisiana State Fair Stadium		
32						
33	D-3	X		KCS Employees Hospital Association Note		2
34						
35				Total Account 722		5
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)						
\$	\$	\$	\$	\$	%	\$	
							1
	8						2
							3
							4
							5
							6
							7
	63	4			Var.	3	8
	1,068	313			5 & 6	22	10
	50	424	375	375			11
	6						12
							13
							14
	1,187	741	375	375		25	15
							16
							17
							18
							19
	105				8%	8	20
							21
							22
							23
							24
	1						25
	1						26
	1						27
	1						28
							29
			1	1			30
							31
	2						32
							33
							34
	6		1	1			35
							36
							37
							38
							39
							40
							41
							42
							43
							44
							45
							46

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)(1) of the Uniform System of Accounts for Railroad Companies.
 3. Enter in column (d) the share of undistributed earnings (i.e., less dividends) of 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 Co., Inc.	\$ 932)	\$	2	\$	\$	\$ (930)
2	Common Stock	(17)		18			1
3	Landa Motor Lines	(309)		4			(305)
4	Common Stock						
5	Louisiana, Arkansas & Texas Transportation Company						
6	Common Stock						
7	The Kansas and Missouri Railway and Terminal Company	716		(52)			664
8	Common Stock						
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							

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							
44							
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47							
48							
49							
50							
51							
52							
53							
54							
55							
56							
57							
58							
Total		(542)		(28)			(570)
Non-carriers: (Show totals only for each column)		(716)		(131)			(847)
Total (lines 59 and 60)		(1,258)		(159)			(1,417)

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 1 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 Company -	\$	\$
2		Common Stock	9	
3				
4	A-3	Lake Mena, Inc. - Capital Stock		
5		1,028 Shares	25	
6				
7	A-3	Joplin Southern Corporation - Capital		
8		Stock	114	
9				
10	A-3	Pittsburg Industrial Corp. - Capital Stock		
11		200 Shares	10	
12				
13		Total	158	
14				
15				
16				
17				
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23				
24				
25				
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28				
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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 B7.

(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
			7
		Southern Development Company	8
			9
			10
		Southern Development Company	11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
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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	5,781			
3	(2 1/2) Other right-of-way expenditures	169			
4	(3) Grading	19,910			
5	(5) Tunnels and subways				
6	(6) Bridges, trestles, and culverts	14,985			
7	(7) Elevated structures				
8	(8) Ties	7,557			
9	(9) Rails	14,686			
10	(10) Other track material	11,392			
11	(11) Ballast	9,811			
12	(12) Track laying and surfacing	7,045			
13	(13) Fences, snowsheds, and signs	536			
14	(16) Station and office buildings	6,922			
15	(17) Roadway buildings	311			
16	(18) Water stations	112			
17	(19) Fuel stations	608			
18	(20) Shops and enginehouses	6,136			
19	(21) Grain elevators				
20	(22) Storage warehouses				
21	(23) Wharves and docks				
22	(24) Coal and ore wharves				
23	(25) TOFC/COFC terminals	474			
24	(26) Communication systems	2,179			
25	(27) Signals and interlockers	5,536			
26	(29) Power plants	33			
27	(31) Power-transmission systems	696			
28	(35) Miscellaneous structures	224			
29	(37) Roadway machines	637			
30	(38) Roadway small tools	40			
31	(39) Public improvements—Construction	2,648			
32	(43) Other expenditures—Road	27			
33	(44) Shop machinery	1,495			
34	(45) Power-plant machinery	145			
35	Other (specify and explain)				
36	Total expenditures for road	122,190			
37	(52) Locomotives	38,495			
38	(53) Freight-train cars	86,845			
39	(54) Passenger-train cars				
40	(55) Highway revenue equipment				
41	(56) Floating equipment				
42	(57) Work equipment	1,144			
43	(58) Miscellaneous equipment	39			
44	Total expenditures for equipment	126,523			
45	(71) Organization expenses	503			
46	(76) Interest during construction	2,627			
47	(77) Other expenditures—General				
48	Total general expenditures	3,130			
49	Total	251,843			
50	(80) Other elements of investment (p. 33)				
51	(90) Construction work in progress	6,268			
52	Grand Total	258,111			

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)	Owred property (g)	Leased property (h)	(i)	(j)	
\$ 112	\$	\$ 6	\$	\$ 106	\$ 2,201	1
64		10		54	5,835	2
17				17	186	3
696		18		678	20,588	4
						5
865		155		710	15,695	6
						7
290		10		280	7,837	8
269		24		245	14,931	9
204		19		185	11,577	10
90		15		75	9,886	11
274		11		263	7,308	12
19		1		18	554	13
94		76		18	6,940	14
4		1		3	314	15
					112	16
6				6	614	17
15		2		13	6,149	18
						19
						20
						21
					474	22
		15		(15)	2,164	23
1,327		60		1,267	6,803	24
					33	25
					696	26
					224	27
12				12	649	28
					40	29
86		8		78	2,726	30
					27	31
71		7		64	1,559	32
					145	33
						34
4,515		438		4,077	126,267	35
					38,495	36
		7,634		(7,634)	79,211	37
						38
						39
		(7)		7	1,151	40
2				2	41	41
2		7,627		(7,625)	118,898	42
					503	43
		4		(4)	2,623	44
						45
		4		(4)	3,126	46
4,517		8,069		(3,552)	248,291	47
						48
(212)				(212)	6,056	49
4,305		8,069		(3,764)	254,347	50
						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 (c) and (f), should be included all entries covering expenditures for additions and betterments, as defined, whether replacing other property or not.

5. In column (f) 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.

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) effected.

Line No.	Account (a)	(Dollars in thousands)			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	2,170	.71		5	5	.25		
2	(2-1/2) Other right-of-way expenditures	168	170	2.00						
3	(3) Grading	14,464	14,605	.13		28	28	.12		
4	(5) Tunnels and subways									
5	(6) Bridges, trestles, and culverts	14,978	15,459	1.66		7	7	3.45		
6	(7) Elevated structures									
7	(13) Fences, snowsheds, and signs	536	555	2.12		1	1	2.01		
8	(16) Station and office buildings	6,921	6,958	1.99						
9	(17) Roadway buildings	311	315	2.49						
10	(18) Water stations	113	113	4.12						
11	(19) Fuel stations	608	608	2.83						
12	(20) Shops and enginehouses	6,137	6,154	2.22						
13	(21) Grain elevators									
14	(22) Storage warehouses									
15	(23) Wharves and docks									
16	(24) Coal and ore wharves									
17	(25) TOFC/COFC terminals	473	473	3.98						
18	(26) Communications systems	2,179	2,161	4.16						
19	(27) Signals and interlockers	5,535	6,421	3.50						
20	(29) Power plants	33	33	1.48						
21	(31) Power transmission systems	696	696	2.58						
22	(35) Miscellaneous structures	224	224	3.03						
23	(37) Roadway machines	637	648	*						
24	(39) Public improvements—Construction	2,644	2,719	2.43		4	4	4.28		
25	(44) Shop machinery	1,495	1,616	2.96						
26	(45) Power plant machinery	145	145	3.12						
27	All other road accounts									
28	Amortization (other than defense projects)									
29	Total road	60,387	62,243	1.75		45	45	1.08		
	EQUIPMENT									
30	(52) Locomotives	38,496	38,496	4.27						
31	(53) Freight-train cars	86,840	79,670	4.62						
32	(54) Passenger-train cars									
33	(55) Highway revenue equipment									
34	(56) Floating equipment									
35	(57) Work equipment	1,144	1,151	9.00						
36	(58) Miscellaneous equipment	40	42	15.83						
37	Total equipment	126,520	119,359	4.55						
38	GRAND TOTAL	186,907	181,602	XX XX		45	45	XX XX		

*Ceased Depreciation.

New rates on equipment effective January 1, 1976 per ICC Sub Order, September 17, 1975.

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 or 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	151	15		6		160
2	(2-1/2) Other right-of-way expenditures	117	3				120
3	(3) Grading	296	19		16		299
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	6,491	249		151		6,589
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	500	8				508
8	(16) Station and office buildings	1,021	137		48		1,110
9	(17) Roadway buildings	71	9				80
10	(18) Water stations	(16)	4				(12)
11	(19) Fuel stations	151	17				168
12	(20) Shops and enginehouses	1,470	136		2		1,604
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	130	18				148
18	(26) Communication systems	134	76		15		195
19	(27) Signals and interlockers	3,268	194		39		3,423
20	(29) Power plants	(1)	1				
21	(31) Power-transmission systems	338	18				356
22	(35) Miscellaneous structures	121	7				128
23	(37) Roadway machines	608					608
24	(39) Public improvements—Construction	1,288	65		8		1,345
25	(44) Shop machinery*	245	45		4		286
26	(45) Power-plant machinery*	47	4				51
27	All other road accounts						
28	Amortization (other than defense projects)	24			16		8
29	Total road *	16,454	1,025		305		17,174
	EQUIPMENT						
30	(52) Locomotives	17,570	1,644				19,214
31	(53) Freight-train cars	21,772	3,868		6,088		19,551
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	328	103	# 4			435
36	(58) Miscellaneous equipment	24	7				31
37	Total equipment	39,694	5,622	4	6,088		39,231
38	GRAND TOTAL	56,148	6,647	4	6,393		56,405

*Chargeable to account 305

*Restated.

#Two cars reinstated that were sold in 1975 and sale cancelled.

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	Certificate Numbers								
2	Laesville								
3	Yard Tracks WD-29641				19				19
4									
5	Block Signals NC-416				104				104
6									
7	Centralized Traffic								
8	Control				282				282
9									
10	11 Passing Tracks				38				38
11									
12	Minor Items, each less than \$100,000		19		87		19		87
13									
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD		19		530		19		530
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				3				3
30	TOTAL EQUIPMENT				3				3
	GRAND TOTAL		19		533		19		533

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 (B-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					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11	NONE				
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
	TOTAL		XX XX		XXXXX

REBUILT UNITS

1					
2	Account 57 - Work Equipment				
3					
4	KCS 921 and 931, Pumper fire fighter cars				
5	sold in 1975 and sale not consummated.				
6	Rewritten into accounts in 1976	2	40	7	\$
7					
8					
9					
10					
11					
12					
13	TOTAL	2	XX XX	7	XXXXX
14	GRAND TOTAL	2	XX XX	7	XXXXX

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	842.83	\$ 189,529	\$ 47,964
2	R	The Arkansas Western Railway Company	33.02	492	41
3	R	Fort Smith and Van Buren Railway Co. (Okla.)	20.14	315	31
4	R	Louisiana & Arkansas Railway Company	633.54	63,976	8,863
5				254,112	56,899
6					
7	P	The Maywood and Sugar Creek Railway Company	1.54	124	29
8					
9					
10	O	Fort Smith and Van Buren Railway Co. (Ark.)		111	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		TOTAL ♦	1,531.07	254,347	56,938

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 is used from other carrier's 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.

5. Report dollars in thousands.

Line No.	Account (a)	Respondent		IA Lessor railroad		Inactive (proprietary) companies (d)	Other leased properties (e)
		KCS (b)	FSVB (c)	Okla.	AW		
		\$	\$			\$	\$
1	(1) Engineering—	1,544	649			4	5
2	(2) Land for transportation purposes—	4,215	1,575			32	12
3	(2 1/2) Other right-of-way expenditures	126	60				
4	(3) Grading—	14,470	6,065			26	28
5	(5) Tunnels and subways—						
6	(6) Bridges, trestles, and culverts—	10,910	4,764			14	7
7	(7) Elevated structures—						
8	(8) Ties—	4,895	2,921			9	13
9	(9) Rails—	9,355	5,556			7	12
10	(10) Other track material—	7,252	4,307			5	12
11	(11) Ballast—	6,302	3,577			1	5
12	(12) Track laying and surfacing—	4,196	3,095			5	12
13	(13) Fences, snowsheds, and signs—	328	225			3	
14	(16) Station and office buildings—	3,802	3,135			3	
15	(17) Roadway buildings—	274	41				
16	(18) Water stations—	66	46				
17	(19) Fuel stations—	528	86				
18	(20) Shops and enginehouses—	5,016	1,133				
19	(21) Grain elevators—						
20	(22) Storage warehouses—						
21	(23) Wharves and docks—						
22	(24) Coal and ore wharves—						
23	(25) TOFC/COFC terminals—	184	289				
24	(26) Communication systems—	1,418	746				
25	(27) Signals and interlockers—	5,935	867			1	
26	(29) Power plants—	10	23				
27	(31) Power-transmission systems—	353	343				
28	(35) Miscellaneous structures—	176	48				
29	(37) Roadway machines—	360	289				
30	(38) Roadway small tools—	29	10				
31	(39) Public improvements—Construction—	2,134	573			14	5
32	(43) Other expenditures—Road—	25	2				
33	(44) Shop machinery—	1,449	111				
34	(45) Power-plant machinery—	112	33				
35	Leased property capitalized rentals (explain) —						
36	Other (specify & explain) —						
37	Total expenditures for road—	85,464	40,569			124	111
38	(52) Locomotives—	35,034	3,461				
39	(53) Freight-train cars—	63,287	15,925				
40	(54) Passenger-train cars—						
41	(55) Highway revenue equipment—						
42	(56) Floating equipment—						
43	(57) Work equipment—	871	280				
44	(58) Miscellaneous equipment—	32	9				
45	Total expenditures for equipment—	99,224	19,675				
46	(71) Organization expenses—	381	121				
47	(76) Interest during construction—	1,965	657				
48	(77) Other expenditures—General—						
49	Total general expenditures—	2,346	778				
50	Total—	187,034	61,022			124	111
51	(80) Other elements of investment—						
52	(90) Construction work in progress—	2,295	3,761				
53	Grand Total—	189,329	64,783			124	111

Changes Approved by GAU
0-180230 (R0415)

Schedule 212A.—RENTAL EXPENSE OF LESSEE

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Otherwise, show total rental expense (reduced by rentals from subleases) entering into the determination of results of operations for each period for which an income statement is presented. Rental payments under short-term leases for a month or less which are expected to be renewed need not be included. Contingent rentals, such as those based on usage or sales, shall be reported separately from the basic or minimum rentals.

Line No.	Type of lease (a)	1976 (b)	1975 (c)
	Financing leases:	\$	\$
1	Minimum rentals	5,066	4,688
2	Contingent rentals		
3	Sublease rentals		
4	Total financing leases	5,066	4,688
	Other leases:		
5	Minimum rentals	1,740	1,079
6	Contingent rentals Includes Accounts 536 and 537	9,323	6,384
7	Sublease rentals		
8	Total other leases	11,063	7,463
9	Total rental expense of lessee	16,129	12,151

NOTE: As used in schedules 212A through 212E, a "financing lease" is defined as a lease which, during the noncancellable lease period, either (a) covers 75% or more of the economic life of the property or (b) has terms which assure the lessor a full recovery of the fair market value (which would normally be represented by his investment) of the property at the inception of the lease plus a reasonable return on the use of the assets invested subject only to limited risk in the realization of the residual interest in the property and the credit risks generally associated with secured loans.

Schedule 212B.—MINIMUM RENTAL COMMITMENTS

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) gross rental expense in the most recent fiscal year exceeds one percent of operating revenue.

Show the minimum rental commitments under all noncancellable leases, as of the date of the latest balance sheet presented, in the aggregate (with disclosure of the amounts applicable to noncapitalized financing leases) for (a) each of the five succeeding fiscal years; (b) each of the next three five-year periods; and, (c) the remainder as a single amount. The amounts so determined should be reduced by rentals to be received from existing noncancellable subleases (with disclosure of the amounts of such rentals). For purposes of this rule, a noncancellable lease is defined as one that has an initial or remaining term of more than one year and is noncancellable, or is cancellable only upon the occurrence of some remote contingency or upon the payment of a substantial penalty.

Line No.	Year ended (a)	A			B	
		Financing leases (b)	Other Leases (c)	Total (d)	Sublease rentals*	
					Financing leases (e)	Other leases (f)
1	1976 1977	5,713	1,300	7,013		
2	1977 1978	5,196	1,220	6,416		
3	1978 1979	4,768	1,105	5,873		
4	1979 1980	4,456	936	5,392		
5	1980 1981	4,251	925	5,176		
6	1981-1985 1982 - 1986	10,331	2,064	12,395		
7	1986-1990 1987 - 1991	3,301	600	3,901		
8	1991-1995 1992 - 1996	-	328	328		
9	1996 + 1997 +	-	49	49		

The rental commitments reported in Part A of this schedule have been reduced by these amounts:

Schedule 212C.—LESSEE DISCLOSURE

Complete this schedule only if carrier operating revenues are \$10 million or more.

Relate in general terms: (a) the basis for calculating rental payments if dependent upon factors other than the lapse of time; (b) existence and terms of renewal or purchase options, escalation clauses, etc.; (c) the nature and amount of related guarantees made or obligations assumed; (d) restrictions on paying dividends, incurring additional debt, further leasing, etc.; and, (e) any other information necessary to assess the effect of lease commitments upon the financial position, results of operations, and changes in financial position of the lessee.

Line
No.

(a)

1

2

3

4

5

6

7

8

(b)

9

10

11

12

13

14

15

16

(c)

17

18

19

20

21

22

23

24

(d)

25

26

27

28

29

30

31

32

(e)

33

34

35

36

37

38

39

40

Schedule 212D.—LEASE COMMITMENTS—PRESENT VALUE

Complete this schedule only if (a) carrier operating revenues are \$10 million or more and (b) if the present value of the minimum lease commitments are more than five percent of the sum of the long-term debt, stockholders' equity and the present value of the minimum lease commitments, or if the impact on net income (as computed in schedule 212E, Income impact—Lessee) is three percent or more of the average net income for the most recent three years.

Show all noncapitalized financing leases, the present value of the minimum lease commitments in the aggregate and by major categories of properties. Present values shall be computed by discounting net lease payments (after subtracting, if practicable, estimated, or actual amounts, if any, applicable to taxes, insurance, maintenance and other operating expenses) at the interest rate implicit in the terms of each lease at the time of entering into the lease.

Show either the weighted average interest rate (based on present value) and range of rates or specific interest rates for all lease commitments.

Line No.	Asset category (a)	Present value		Range		Weighted average	
		1976 (b)	1975 (c)	1976 (d)	1975 (e)	1976 (f)	1975 (g)
		\$ (IN THOUSANDS)	\$	%	%	%	%
1	Structures	22,500	24,000	3.3-13.0	3.3 - 13.0	6	6
2	Revenue equipment	500		3.3		3.3	
3	Shop and garage equipment						
4	Service cars and equipment						
5	Noncarrier operating property						
	Other (Specify)						
6							
7							
8							
9							
10	Total	23,000	24,000	3.3-13.0	3.3 - 13.0	6	6

Schedule 212E.—INCOME IMPACT—LESSEE

Complete this schedule only if carrier operating revenues are \$10 million or more.

If the impact on net income is less than three percent of the average net income for the most recent three years, a statement to this effect will suffice to complete this schedule. Otherwise, show the impact on net income for each period for which an income statement is presented if all noncapitalized financing leases were capitalized, related assets were amortized on a straight-line basis and interest cost was accrued on the basis of the outstanding lease liability. The amounts of amortization and interest cost shall be separately identified.

In calculating average net income, loss-years should be excluded. If losses were incurred in each of the most recent three years, the average loss shall be used for purposes of this test.

Line No.	Item (a)	1976 (b)	1975 (c)
		\$	\$
1	Amortization of lease rights	1,979	1,916
2	Interest	1,317	1,160
3	Rent expense	(3,218)	(2,686)
4	Income tax expense	(19)	(94)
5	Impact (reduction) on net income	(59)	(296)

NOTES AND REMARKS

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 (i), 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)	Credits during the year (d)	Balance at close of year (See ins. 3) (e)
1	The Kansas City Southern Railway Co.		\$	\$	\$
2					
3	Missouri				955
4	Kansas			3	249
5	Oklahoma			4	13
6	Arkansas				24
7	Louisiana			162	1,930
8	Texas		1		1,775
9					
10	Total KCS Ry. Co.		1	169	4,946
11					
12	Louisiana & Arkansas Railway Company				234
13					
14	The Arkansas Western Railway Company		1		1
15					
16	Fort Smith and Van Buren Railway Company				97
17					
18					
19					
20					
21					
22	Total	x x x x	2	169	5,278

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)					Line No.
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)	
\$	\$	\$	\$	\$	\$	\$	\$	%	
									1
24	45	1	(22)	40		270	405		2
17	3		14						3
1			1			1	5		4
1		1							5
188	32	5	151	28	37	224	688		6
97	18		79	19		289	993		7
									8
328	98	7	223	87	37	784	2,091	3.91	9
									10
8	3	1	4	4		15	148	1.90	11
									12
				None	None	1	None		13
									14
				None	None	None	None		15
									16
									17
									18
									19
									20
336	101	8	227	91	37	800	2,239	XXXXX	21
									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			
3		Retirement of tracks	121
4		Bills for collection, deferred	123
5		Salvage on retired equipment	9
6		Other items, each less than \$250,000	8
7			
8		Total Account 741	261
9			
10			
11	743	Other Deferred Charges	
12			
13		Agents relief claims unadjusted - overcharge	785
14		Freight charges - company material	244
15		Advance MILW - KCS Joint Agency	650
16		Work performed at dredging site, Texarkana	276
17		Ballast in suspense	193
18		Accrue amount for traction motors not used	64
19		Personal injury claims	40
20		Engineering charges	32
21		Foreign road claims - loss and damage	27
22		Paid claims - unadjusted - loss and damage	11
23		Paid claims - unadjusted - overcharge	7
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	
28			
29		Improvement - T&P track, Torres to New Roads, LA.	1,556
30		Construct T&P track, Lobdell, LA.	1
31		A & B relay - T&P track, Simmesport, LA.	2
32		Improvement - T&P track, Morganza, LA.	11
33			1,570
34		Other items, each less than \$250,000	285
35			
36		Total Account 743	4,184
37			
38			
39			
40			
41			
42			
43			
44			
45			

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KANSAS CITY SOUTHERN RY. CO.

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 (aa). For definition of expense, reportable in column (cc), see Definition 10 in the Uniform System of Accounts for Railroad Companies.

Particulars concerning the reacquisition 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 (g)	Sinking fund		First lien	Junior to first lien
The Kansas City Southern Railway Company											
1	(1)(a) 1st Mtg Sr C Bonds	12-1-54	12-1-84	3-1/4	6 & 12	No	Yes	Yes	Yes		860
2	SBA Loan	3-20-75	7-22-80	5	Monthly	No	No	No	No		
3	SBA Loan	10-6-76	10-6-81	6-5/8	Monthly				(Loan Incomplete)		
4											
5	Equipment Obligations - 4C Equipment Purchase Agreements										
6	Chemical Bank	5-15-61	6-15-76	4-1/2	6 & 12	No	No	No	Yes		
7	Chemical Bank	6-15-61	6-15-76	4-1/2	6 & 12	No	No	No	Yes		
8											
9	Manufacturers Ntl. Bk.	6-01-62	6-15-77	4-3/8	6 & 12	No	No	No	Yes		
10	Manufacturers Ntl. Bk.	6-01-62	6-15-77	4-3/8	6 & 12	No	No	No	Yes		
11											
12	Chemical Bank	5-15-62	5-15-77	4-1/2	5 & 11	No	No	No	Yes		
13											
14	Chemical Bank	7-15-63	7-15-78	4.45	1 & 7	No	No	No	Yes		
15											
16	Chemical Bank	5-15-65	5-15-80	4.65	5 & 11	No	No	No	Yes		
17											
18	Chemical Bank	3-15-66	3-15-76	5-1/2	3 & 9	No	No	No	Yes		
19											
20	Chemical Bank	4-15-66	10-15-81	5-1/2	4 & 10	No	No	No	Yes		
21											
22	Chemical Bank	3-15-67	3-15-77	6-3/4	3 & 9	No	No	No	Yes		
23											
24	Chemical Bank	5-15-67	5-15-82	6-1/4	5 & 11	No	No	No	Yes		
25											
26	Chemical Bank	5-02-68	8-01-78	7-1/4	2 & 8	No	No	No	Yes		
27											
28	Chemical Bank	5-03-68	8-01-83	7	2 & 8	No	No	No	Yes		
29											
30	Chemical Bank	1-01-70	1-15-85	9-3/4	1 & 7	No	No	No	Yes		
31	(Principal starting 1-15-76)										
32	Chemical Bank	9-01-72	2-01-87	6-1/2	2 & 8	No	No	No	Yes		
33	7-5/8)										
34	United Missouri Bank	5-15-72	2-02-78	6-3/4	2 & 8	No	No	No	Yes		
35											
36	Chemical Bank	11-1-72	11-1-87	7-1/4	5 & 11	No	No	No	Yes		
37	7-3/4)										
38	United Missouri Bank	3-01-73	8-15-78	8	2 & 8	No	No	No	Yes		
39											
40	Chemical Bank	3-15-73	5-15-88	7-1/4	5 & 11	No	No	No	Yes		
41	7-3/4)										
42	Chemical Bank	1-15-74	2-15-89	8-1/4	2 & 8	No	No	No	Yes		
43											
44	Total KCS Ry. Equipment Obligations										
45											
46	Louisiana & Arkansas Railway Company										
47	Chemical Bank	5-01-64	5-01-79	4.60	5 & 11	No	No	No	No		
48											
49	Total KCS and L&A Equipment Obligations										
50											
51	Grand Total x 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)	
\$ 50,000			\$ 50,000	\$ 14,500	\$ 1,529	\$ 33,971	\$ None		1
1,942			1,942	531		995	416		2
77			77	18		None	59		3
52,019			52,019	15,049	1,529	34,966	475	(1)	4
527	X		527	527		None	None		5
2,108	X		2,108	2,108		None	None		6
3,431			3,431	3,217		None	114		8
1,166			1,166	1,137		None	29		9
2,130			2,130	1,988		None	142		11
5,932			5,932	5,142		395	395		13
4,350			4,350	3,190		870	290		15
8,650	X		8,650	8,650		None	None		17
4,440			4,440	2,960		1,184	296		19
8,090			8,090	7,281		None	809		21
4,097			4,097	2,458		1,366	273		23
5,255			5,255	4,203		526	526		25
4,413			4,413	2,354		1,765	294		27
10,148			10,148	1,014		8,119	1,015		29
5,151			5,151	1,374		3,434	343		31
2,144			2,144	1,424		248	472		33
3,426			3,426	914		2,284	228		35
2,710			2,710	1,626		542	542		37
6,055			6,055	1,412		4,239	404		39
6,570			6,570	1,095		5,037	438		41
90,793			90,793	54,174		30,009	6,610		43
2,844			2,844	2,275		379	190		46
93,637			93,637	56,449		30,388	6,800	(42)	49
145,656			145,656	71,498	1,529	65,354	7,275		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)
	<u>The Kansas City Southern Railway Company's</u>		\$	\$	\$
1	1st Mortgage Series C 3-1/4% Bonds	1,117		1,119	
2	SBA Loan	81		81	
3	SEA Loan	1		1	
4		1,199		1,201	
5	<u>Equipment Purchase Agreements</u>				
6	Chemical Bank 6-15-61)				
7	Chemical Bank 6-15-61)	1		1	
8					
9	Manufacturers National Bank 6-01-62	12		13	
10	Manufacturers National Bank 6-01-62	4		4	
11					
12	Chemical Bank 5-12-62	9		10	
13					
14	Chemical Bank 7-15-63	40		48	
15					
16	Chemical Bank 5-15-65	59		61	
17					
18	Chemical Bank 3-15-66	5		12	
19					
20	Chemical Bank 4-15-66	90		94	
21					
22	Chemical Bank 3-15-67	66		82	
23					
24	Chemical Bank 5-15-67	109		111	
25					
26	Chemical Bank 5-02-68	98		114	
27					
28	Chemical Bank 5-03-68	156		165	
29					
30	Chemical Bank 1-01-70	894		939	
31					
32	Chemical Bank 1-01-72	286		296	
33					
34	United Missouri Bank 5-15-72	59		71	
35					
36	Chemical Bank 11-01-72	207		210	
37					
38	United Missouri Bank 3-01-73	101		117	
39					
40	Chemical Bank 3-15-73	375		379	
41					
42	Chemical Bank 1-15-74	465		478	
43					
44	Total KCS Ry. Co. - Equipment	3,036		3,205	
45					
46	<u>Louisiana & Arkansas Railway Company</u>				
47	Chemical Bank 5-01-64	29		31	
48					
49	Total KCS and L&A - Equipment	3,065		3,236	
50					
51	Grand Total	4,264		4,437	

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	\$	\$	\$	\$ 801	\$ 543	1
SBA Loan				395	395	2
SBA Loan 6.625	77	77		18	18	3
(1)	77	77		1,214	956	4
Equip. Contract	Date					5
22450	6-15-61)					6
22450	6-15-61)			32	32	7
						8
22725	6-01-62			229	229	9
22750	6-01-62			78	78	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			433	433	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			525	525	26
						27
24724	5-03-68			295	295	28
						29
25092	1-01-70			1,014	1,014	30
						31
25650	1-01-72			343	343	32
						33
25734	5-15-72			440	440	34
						35
25820	11-01-72			229	229	36
						37
25908	3-01-73			542	542	38
						39
25944	3-15-73			404	404	40
						41
26120	1-15-74			438	438	42
						43
				7,208	7,208	44
						45
						46
8761	5-01-64			190	190	47
						48
				(U.C.) 7,398	7,398	49
						50
Grand Total	77	77		8,612	8,354	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	<u>The Kansas City Southern Railway Company</u>		\$	\$
2				
3	Manufacturers 6-01-62	250 Cars	3,454	23
4				
5	Manufacturers 6-01-62	100 Cars	1,198	32
6				
7	Chemical 5-15-62	10 Locomotives	2,137	7
8				
9	Chemical 7-15-63	210 Cars and 10 Locomotives	5,932	None
10				
11	Chemical 5-15-65	117 Cars and 16 Passenger Cars	4,350	None
12				
13	Chemical 4-15-66	18 Locomotives	4,466	26
14				
15	Chemical 3-15-67	691 Cars	8,091	1
16				
17	Chemical 5-15-67	250 Cars	4,097	None
18				
19	Chemical 5-02-68	462 Cars	5,256	1
20				
21	Chemical 5-03-68	22 Locomotives	4,413	None
22				
23	Chemical 1-01-70	500 Cars	10,148	None
24				
25	Chemical 1-01-72	20 Locomotives	5,151	None
26				
27	United Mo. 5-15-72	311 Cars	2,144	None
28				
29	Chemical 11-01-72	10 Locomotives	3,426	None
30				
31	United Mo. 3-01-73	330 Cars	2,803	93
32				
33	Chemical 3-15-73	300 Cars	6,055	None
34				
35	Chemical 1-15-74	20 Locomotives	6,570	None
36				
37				
38	<u>Louisiana & Arkansas Railway Company</u>			
39				
40	Chemical 5-01-64	180 Cars	2,854	10
41				
42				
43				
44		82,352 (49)	82,545	193
45				
46				
47				
48				
49				
50				

222. AMOUNTS PAYABLE TO AFFILIATED COMPANIES

Give full particulars of amounts payable by the responder 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	181	470	None	None
4						
5						
6						
7						
8						
9						
10	TOTAL		181	470	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 (1) all items (or the aggregate of a class of items of like description) amounting to \$250,000, or more; however, if the carrier has no items amounting to \$250,000, or more, show the three largest individual items of \$100,000, or more.

Show (2) each other item or class of items of like description amounting to less than \$250,000, or \$100,000, as applicable, combined into a single entry designated "other items, each less than \$250,000, or \$100,000, as applicable." 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.

Report dollars in thousands.

Line No.	Account No. (a)	Item (b)	Amount (c)
1	751	Loans And Notes Payable	\$ None
2			
3			
4	759	Accrued Accounts Payable	
5			
6		Vacation earned 1976, payable in 1977	2,656
7		Accruals - Per diem due foreign lines	1,536
8		Reserve for damage to foreign line equipment	1,923
9		Accruals - Car repairs	133
10		Rental Equipment - Edgerton Car Corp.	484
11		- Woodland Car Corp.	94
12		- Vineyard Car Corp.	22
13		- Chemical Bank	81
14		- American National Bank	220
15		Casualty Claims	679
16		Loss and Damage Claims	353
17		Overcharge Claims	310
18		Operating expense due MTLW-PCS Joint Agency	715
19		Switching cars - Dallas, Texas	369
20		Estimated ballast	394
21		Estimated joint facility expense due other railroads	282
22		Other items, each less than \$250,000	685
23		Total Account 759	10,936
24			
25			
26	763	Other Current Liabilities	
27			
28		Prepaid charges in transit unadjusted	4,530
29		Unpaid funds	41
30		Total Account 763	4,571
31			
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

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)	\$ 24	\$ (91)	\$ (67)
2	Railway property State and local taxes (532) _____		1,104	1,104
3	Old-age retirement (532) _____		574	574
4	Unemployment insurance (532) _____		190	190
5	Miscellaneous operating property (535) _____			
6	Miscellaneous tax accruals (544) _____			
7	All other taxes _____			
8	Total (account 761)		1,868	1,868

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" 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 Reserve	\$ None
2			
3			
4	774	Casualty And Other Reserves	
5			
6		Casualty Reserve	1,687
7		Foreign Line Equipment Reserve	696
8		Loss And Damage Claims	492
9		Reserve For Bad Debts	380
10		Overcharge Claims	106
11		Property Reserve	53
12		Livestock Reserve	29
13		Other Items, each less than \$250,000	6
14		Total Account 774	3,449
15			
16			
17	782	Other Liabilities	
18			
19		Deposits On Industrial Tracks	254
20		Depreciation On Retired Property	98
21		Contract Percentages Retained	18
22		Total Account 782	370
23			
24			
25	784	Other Deferred Credits	
26			
27		Estimate Repairs To Mississippi River Bridge	488
28		Deposits On Road Crossing And Construction Of Tracks	359
29		Passenger Train Operation Loss	307
30		Property Abandoned	281
31		Sale Of Cars And Scrap	82
32		Amount Received From Kaw Valley Drainage Dist.	51
33		Prepaid Rents	30
34		Other Items, each less than \$250,000	133
35		Total Account 784	1,731
36			
37			
38			
39			
40			
41			
42			
43			
44			
45			

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 of amount (nonpar stock) (column (k)) or a percentage or proportion of the profits (column (l)).

(Dollars in thousands)

PREFERRED STOCK

Line No.	Class of stock (a)	Date issue was authorized (b)	Par value per share (if non-par, so state) (c)	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	5-22-39	\$ 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
2		4-11-53		x x x x x	x x x	x x x x x	x x x x x	x 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
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
5	Preferred	3-19-1900	50	x x x x x	x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x	x x x x x
6				None	None	No	None	Yes	No	No	None	None
7												
8	Debtenture											
9	Receipts outstanding for installments paid*											
10	TOTAL			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

PAR VALUE OF PAR-VALUE STOCK OR NUMBER OF SHARES OF NONPAR STOCK

Line No.	Authorized (m)	Authenticated (n)	Nominally Issued and		Actually issued (q)	Reacquired and		STOCK ACTUALLY OUTSTANDING AT CLOSE OF YEAR			
			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)	Number of shares (t)	Par value of par-value stock (u)	Book value of stock without par value (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	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	1,401,185	20,681	34,853	

*State the class of capital stock covered by the receipts

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)
1	Balance at beginning of year	x x x	\$	\$ 267	\$ 4,645
	Additions during the year (describe):				
2					
3					
4					
5					
6	Total additions during the year	x x x			
	Deductions during the year (describe):				
7					
8					
9					
10	Total deductions	x x x			
11	Balance at close of year	x x x		267	4,645

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			
2	Funded debt retired through retained income	600	600	600
3	Sinking fund reserves			
4	Incentive per diem funds	291		1,047
5	Miscellaneous fund reserves			
6	Retained income—Appropriated not specifically invested			
	Other appropriations (specify):			
7				
8				
9				
10				
11				
12				
13				
14				
15				
16	TOTAL	891	600	1,647

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	In 1971 REA Express, Inc. filed three separate antitrust suits	\$
2	against a large group of railroads including the Company. The	
3	suits have not progressed far enough for a reliable assessment of	
4	their impact, but management is of the opinion, based on information	
5	presently available, the Company's exposure is not significant.	
6		
7	The Interstate Commerce Commission instituted in 1970 an	
8	investigation into the management, business and interrelationships,	
9	and transactions of the Company, its parent and other affiliated	
10	companies. Although the Commission's staff has alleged certain	
11	violations of the Interstate Commerce Act and related laws, no	
12	hearings have been held and no findings have been made. Management	
13	believes that liability, if any, resulting from these allegations	
14	would not have a material effect on the Company's financial	
15	statements.	
16		
17	The Company participates in a service interruption insurance	
18	policy and is guarantor jointly with other unaffiliated railway	
19	companies of conditional sales agreements of Trailer Train	
20	Company. During fiscal 1975, Kansas City Terminal Railway	
21	Company refinanced its \$27,500,000 short-term bank borrowings.	
22	Under the terms of this agreement, the Company along with all	
23	other proprietor roads has guaranteed the payment of up to 25%	
24	of the principal and interest thereon. Prepayments on the	
25	principal amount to these Guaranteed Senior Notes in the years	
26	1975 through 1983 have been and will continue to be accounted for	
27	as additional investment (held for operating purposes). During	
28	1976 and 1975, the Company paid \$250,000 pursuant to the terms of	
29	the agreement and it is not anticipated that future annual payments	
30	will exceed \$250,000 under this joint guarantee.	
31		
32		
33		
34		
35		
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46		
47		

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 the particulars of each contract of guaranty or suretyship in effect at the close of the year or entered into and expired during the year.

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)	Description (b)	Amount of contingent liability (c)	Sole or joint contingent liability (d)
1	Kansas City Terminal	Guaranteed Senior Notes 10% and		
2		10½% due December 15, 1975		
3		through December 15, 1984.		
4		Finance Docket 14637. The KCS		
5		Ry. Co. is guarantor of 1/11th.	22,000	Joint
6				
7				
8				
9	City of New Orleans,	Jointly and severally liable for		
10		principal and interest for New		
11		Orleans Union Passenger Terminal		
12		Revenue Bonds 1-1-48 to 1-1-98		
13		Finance Docket 15920. The L&A		
14		Ry. Co. is guarantor of their	6,580	Joint
15		proportion of		
16				
17				
18	Trailer Train Company	Jointly and severally liable for		
19		certain conditional sale agree-		
20		ments of Trailer Train Co.		
21		maturing serially. Various ICC		
22		recordation numbers assigned to		
23		the conditional sale agreements.		
24		The KCS Ry. Co. is one of		
25		thirty-four owning companies.	9,438	Joint
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				

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*	137,937	137,937		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	(108) Other passenger-train†				XX	XX	
7	(109) Milk				XX	XX	
8	(110) Switching*	6,734	6,734		XX	XX	
9	(113) Water transfers						
10	Total rail-line transportation revenue	144,671	144,671				
	Incidental						
11	(131) Dining and buffet				XX	XX	
12	(132) Hotel and restaurant						
13	(133) Station, train, and boat privileges						
14	(135) Storage—Freight			XX	XX	XX	XX
15	(137) Demurrage	2,079	2,079	XX	XX	XX	XX
16	(138) Communication						
17	(139) Grain elevator			XX	XX	XX	XX
18	(141) Power						
19	(142) Rents of buildings and other property	179	179				
20	(143) Miscellaneous	226	226				
21	Total incidental operating revenue	2,484	2,484				
	Joint Facility						
22	(151) Joint facility—Cr	238	238				
23	(152) Joint facility—Dr						
24	Total joint facility operating revenue	238	238				
25	Total railway operating revenues	147,393	147,393				

*Report hereunder the charges to these accounts representing payments made to others for—

Terminal collection and delivery services when performed in connection with line-haul transportation of freight on the basis of freight tariff rates: \$ 679

(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 ().

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: \$ 2,682

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: \$ 458

†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):

Charges for service for the protection against heat: \$ 3

Charges for service for the protection against cold: \$ 3

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 return 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	1,849
2	(202) Roadway maintenance—Yard switching tracks	55
3	Roadway maintenance—Way switching tracks 917	44
4	Roadway maintenance—Running tracks	818
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	47
9	Bridges, trestles, and culverts—Way switching tracks 1,009	52
10	Bridges, trestles, and culverts—Running tracks	910
11	(210) Elevated structures—Yard switching tracks	
12	Elevated structures—Way switching tracks	
13	Elevated structures—Running tracks	
14	(212) Ties—Yard switching tracks	379
15	Ties—Way switching tracks 5,463	209
16	Ties—Running tracks	4,875
17	(214) Rails—Yard switching tracks	51
18	Rails—Way switching tracks 1,837	70
19	Rails—Running tracks	1,716
20	(216) Other track material—Yard switching tracks	141
21	Other track material—Way switching tracks 1,804	72
22	Other track material—Running tracks	1,591
23	(218) Ballast—Yard switching tracks	43
24	Ballast—Way switching tracks 798	32
25	Ballast—Running tracks	723
26	(220) Track laying and surfacing—Yard switching tracks	513
27	Track laying and surfacing—Way switching tracks 6,868	288
28	Track laying and surfacing—Running tracks	6,067
29	(221) Fences, snowsheds, and signs—Yard switching tracks	1
30	Fences, snowsheds, and signs—Way switching tracks 22	1
31	Fences, snowsheds, and signs—Running tracks	20
32	(227) Station and office buildings	180
33	(229) Roadway buildings	4
34	(231) Water stations	1
35	(233) Fuel stations	25
36	(235) Shops and engine houses	154
37	(237) Grain elevators	
38	(239) Storage warehouses	
39	(241) Wharves and docks	
40	(243) Coal and ore wharves	
41	(244) TOFC/COFC terminals	17
42	(247) Communication systems	534
43	(249) Signals and interlockers	1,283
44	(253) Power plants	
45	(257) Power-transmission systems	26
46	(265) Miscellaneous structures	2
47	(266) Road property—Depreciation (p. 82)	976
48	(267) Retirements—Road (p. 82)	22
49	(269) Roadway machines	1,834

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)		
\$ 1849	\$	\$ 1,849	\$	\$	\$	\$	1
55		55					2
44		44					3
818		818					4
							5
							6
47		47					7
52		52					8
910		910					9
							10
							11
							12
379		379					13
209		209					14
4875		4,875					15
51		51					16
70		70					17
1716		1,716					18
141		141					19
72		72					20
1591		1,591					21
43		43					22
32		32					23
723		723					24
513		513					25
288		288					26
6067		6,067					27
1		1					28
1		1					29
20		20					30
180		180					31
4		4					32
1		1					33
25		25					34
154		154					35
							36
							37
							38
							39
17		17					40
534		534					41
1283		1,283					42
							43
26		26					44
2		2					45
976		976					46
22		22					47
1834		1,834					48
							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	61
51	(271) Small tools and supplies	703
52	(272) Removing snow, ice, and sand	7
53	(273) Public improvements—Maintenance	267
54	(274) Injuries to persons	738
55	(275) Insurance	168
56	(276) Stationery and printing	32
57	(277) Employees' health and welfare benefits	694
58	(281) Right-of-way expenses	
59	(282) Other expenses	100
60	(278) Maintaining joint tracks, yards, and other facilities—Dr	629
61	(279) Maintaining joint tracks, yards, and other facilities—Cr	666
62	Total—All road property depreciation (account 266)	976
63	Total—All other maintenance of way and structures accounts	27,382
64	Total maintenance of way and structures	28,358
Maintenance of Equipment		
55	(301) Superintendence	814
66	(302) Shop machinery	96
67	(304) Power-plant machinery	
68	(305) Shop and power-plant machinery—Depreciation (p. 84)	50
69	(306) Dismantling retired shop and power-plant machinery	
70	(311) Locomotives—Repairs, Diesel locomotives—Yard	1,159
71	Locomotives—Repairs, Diesel locomotives—Other	4,900
72	Locomotives—Repairs, Other than Diesel—Yard	
73	Locomotives—Repairs, Other than Diesel—Other	
74	(314) Freight-train cars—Repairs	8,669
75	(317) Passenger-train cars—Repairs	
76	(318) Highway revenue equipment—Repairs	65
77	(323) Floating equipment—Repairs	
78	(326) Work equipment—Repairs	40
79	(328) Miscellaneous equipment—Repairs	307
80	(329) Dismantling retired equipment	
81	(330) Retirements—Equipment (p. 84)	
82	(331) Equipment—Depreciation (p. 84)	5,622
83	(332) Injuries to persons	587
84	(333) Insurance	352
85	(334) Stationery and printing	31
86	(335) Employees' health and welfare benefits	607
87	(339) Other expenses	5
88	(336) Joint maintenance of equipment expenses—Dr	123
89	(337) Joint maintenance of equipment expenses—Cr	204
90	Total—All equipment depreciation (accounts 305 and 331)	5,672
91	Total—All other maintenance of equipment accounts	17,551
92	Total maintenance of equipment	23,223
93	*Includes charges for work done by others of	\$ 5,232
94	and credits for work charged to others in the amount of	\$ 4,636

320. 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 to passenger and allied services (i)	
\$ 61		\$ 61		\$	\$		50
703		703					51
7		7					52
267		267					53
738		738					54
168		168					55
32		32					56
694		694					57
							58
100		100					59
629		629					60
666		666					61
976		976					62
27382		27,382					63
28358		28,358					64
814		814					65
96		96					66
							67
50		50					68
							69
1159		1,159					70
4900		4,900					71
							72
							73
8669		8,669					74
							75
65		65					76
							77
40		40					78
307		307					79
							80
							81
5622		5,622					82
587		587					83
352		352					84
31		31					85
607		607					86
5		5					87
123		123					88
204		204					89
5672		5,672					90
17551		17,551					91
23223		23,223					92

320. RAILWAY OPERATING EXPENSES—Continued

Line No.	Name of railway operating expense account		Amount of operating expenses for the year
	(a)	(b)	
	Traffic		\$
95	(351) Superintendence		745
96	(352) Outside agencies		3,278
97	(353) Advertising*		64
98	(354) Traffic associations		304
99	(355) Fast freight lines		
100	(356) Industrial and immigration bureaus		2
101	(357) Insurance		
102	(358) Stationery and printing		205
103	(359) Employees' health and welfare benefits		84
104	(360) Other expenses		
105	Total traffic		4,682
	Transportation—Rail Line		
106	(371) Superintendence		1,700
107	(372) Dispatching trains		306
108	(373) Station employees		2,772
109	(374) Weighing, inspection, and demurrage bureaus		113
110	(375) Coal and ore wharves		
111	(376) Station supplies and expenses		514
112	(377) Yardmasters and yard clerks		2,422
113	(378) Yard conductors and brakemen		7,353
114	(379) Yard switch and signal tenders		68
115	(380) Yard enginemen		3,266
116	(382) Yard switching fuel		1,050
117	(383) Yard switching power produced		
118	(384) Yard switching power purchased		
119	(388) Servicing yard locomotives		446
120	(389) Yard supplies and expenses		287
121	(392) Train enginemen		3,921
122	(394) Train fuel		7,063
123	(395) Train power produced		
124	(396) Train power purchased		
125	(400) Servicing train locomotives		537
126	(401) Trainmen		6,935
127	(402) Train supplies and expenses**		2,451
128	(403) Operating sleeping cars		
129	(404) Signal and interlocker operation		191
130	(405) Crossing protection		18
131	(406) Drawbridge operation		124
132	(407) Communication system operation		763
133	(408) Operating floating equipment		
134	(409) Employees' health and welfare benefits		1,641
135	(410) Stationery and printing		291
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		1
138	-Credits		4
139	Heater-Charges		1
140	-Credits		3
141	TOFC trailers: Refrigerator-Charges		None
142	-Credits		None
143	Heater-Charges		None
144	-Credits		None

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.
\$ 745	\$	\$ 745	\$	\$	\$	\$	95
3278		3,278					96
64		64					97
304		304					98
							99
2		2					100
							101
205		205					102
84		84					103
							104
4682		4,682					105
1700		1,700					106
306		306					107
2772		2,772					108
113		113					109
							110
514		514					111
2422		2,422					112
7353		7,353					113
68		68					114
3266		3,266					115
1050		1,050					116
							117
							118
446		446					119
287		287					120
3921		3,921					121
7063		7,063					122
							123
							124
537		537					125
6935		6,935					126
2451		2,451					127
							128
191		191					129
18		18					130
124		124					131
763		763					132
							133
1641		1,641					134
291		291					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	9
146	(414) Insurance	734
147	(415) Clearing wrecks	1,051
148	(416) Damage to property	131
149	(417) Damage to livestock on right of way	14
150	(418) Loss and damage—Freight	1,370
151	(419) Loss and damage—Baggage	
152	(420) Injuries to persons	1,059
153	(421) TOFC/COFC terminals	297
154	(422) Other highway transportation expenses	
155	(390) Operating joint yards and terminals—Dr	1,933
156	(391) Operating joint yards and terminals—Cr	1,532
157	(412) Operating joint tracks and facilities—Dr	83
158	(413) Operating joint tracks and facilities—Cr	103
159	Total transportation—Rail line	49,278
	Miscellaneous Operations	
160	(441) Dining and buffet service	
161	(442) Hotels and restaurants	63
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	5
167	(448) Operating joint miscellaneous facilities—Cr	
168	Total miscellaneous operations	68
	General	
169	(451) Salaries and expenses of general officers	1,952
170	(452) Salaries and expenses of clerks and attendants	2,380
171	(453) General office supplies and expenses	1,381
172	(454) Law expenses	1,111
173	(455) Insurance	14
174	(456) Employees' health and welfare benefits	181
175	(457) Pensions	124
176	(458) Stationery and printing	191
177	(460) Other expenses*	69
178	(461) General joint facilities—Dr	50
179	(462) General joint facilities—Cr	3
180	Total general expenses	7,450
181	Grand total railway operating expenses	113,059
182	Operating ratio (ratio of operating expenses to operating revenues) percent. (Two decimal places required)	76.71 %
183	Amount of employee compensation † (applicable to the current year) chargeable to operating expenses	\$ 50,006

*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 reported under Instruction 6, ICC Wage Statistics Forms A and B, Monthly Report of Employees, Service and Compensation, and not included in Schedule 320.)

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.
Expense 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)		
\$ 9	\$	\$ 9	\$	\$	\$		145
734		734					146
1051		1,051					147
131		131					148
14		14					149
1370		1,370					150
							151
1059		1,059					152
297		297					153
							154
1933		1,933					155
1532		1,532					156
83		83					157
103		103					158
49278		49,278					159
							160
63		63					161
							162
							163
							164
5		5					165
							166
68		68					167
							168
1952		1,952					169
2380		2,380					170
1381		1,381					171
1111		1,111					172
14		14					173
181		181					174
124		124					175
191		191					176
69		69					177
50		50					178
3		3					179
7450		7,450					180
113059		113,059					181

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 _____	3
3	(3) Grading _____	19
4	(5) Tunnels and subways _____	
5	(6) Bridges, trestles, and culverts _____	250
6	(7) Elevated structures _____	
7	(13) Fences, snowsheds, and signs _____	8
8	(16) Station and office buildings _____	137
9	(17) Roadway buildings _____	8
10	(18) Water stations _____	4
11	(19) Fuel stations _____	17
12	(20) Shops and enginehouses _____	136
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 _____	76
19	(27) Signals and interlockers _____	195
20	(29) Power plants _____	
21	(31) Power _____	18
22	(35) Miscellaneous structures _____	6
23	(37) Roadway machines _____	
24	(39) Public improvements—Construction _____	65
25	All other road accounts _____	
26	Total (account 266) _____	976

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 _____	6
6	(9) Rails _____	(11)
7	(10) Other track material _____	7
8	(11) Ballast _____	12
9	(12) Track laying and surfacing _____	4
10	(38) Roadway small tools _____	
11	(39) Public improvements—Construction _____	
12	(43) Other expenditures—Road _____	
13	(76) Interest during construction _____	3
14	(77) Other expenditures—General _____	
15	(80) Other elements of investment _____	
16	All other road accounts _____	1
17	Total (account 267) _____	22

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)	
\$ 15		\$ 15					1
3		3					2
19		19					3
							4
250		250					5
							6
8		8					7
137		137					8
8		8					9
4		4					10
17		17					11
136		136					12
							13
							14
							15
							16
19		19					17
76		76					18
195		195					19
							20
18		18					21
6		6					22
							23
65		65					24
							25
976		976					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
6		6					5
(11)		(11)					6
7		7					7
12		12					8
4		4					9
							10
							11
							12
3		3					13
							14
							15
1		1					16
22		22					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		45
2	(45) Power-plant machinery		5
3	Total (account 305)		50

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		306
2	(52) Locomotives-Other		1,338
3	(53) Freight-train cars		3,869
4	(54) Passenger-train cars		
5	(55) Highway revenue equipment		
6	(56) Floating equipment		
7	(57) Work equipment		103
8	(58) Miscellaneous equipment		6
9	Total (account 331)		5,622

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)	
\$ 45	\$	\$ 45	\$	\$	\$	\$	1
5		5					2
50		50					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		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)	
\$ 306	\$	\$ 306	\$	\$	\$	\$	1
1338		1,338					2
3869		3,869					3
							4
							5
							6
							7
103		103					8
6		6					9
5622		5,622					

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	280	43
4	Arkansas	374	Utah		44
5	California		Vermont		45
6	Colorado		Virginia		46
7	Connecticut		Washington		47
8	Delaware		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	4	53
16	Kansas	137	Puerto Rico		54
17	Kentucky				55
18	Louisiana	1,544	Total—Other than U.S. Government Taxes	3,500	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	779	Normal tax and surtax	699	57
26	Montana		Excess profits		58
27	Nebraska		Total—Income taxes	699	59
28	Nevada		Old-age retirement*	7,421	60
29	New Hampshire		Unemployment insurance	794	61
30	New Jersey		All other United States Taxes		62
31	New Mexico		Total—U.S. Government taxes	8,914	63
32	New York		Grand Total—Railway Tax Accruals (account 532)	12,414	64
33	North Carolina				
34	North Dakota				
35	Ohio				
36	Oklahoma	382	*Includes taxes for hospital insurance (Medicare) and supplemental annuities as follows:		
37	Oregon				
38	Pennsylvania		Hospital insurance	\$ 352	65
39	Rhode Island		Supplemental annuities	792	66
40	South Carolina				

350. RAILWAY TAX ACCRUALS—Continued

Changes Approved by GAO
B-180230 (R0199)

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 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.

Report dollars in thousands.

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	25,349	221	(291)	25,279
2	Accelerated amortization of facilities Sec. 168 I.R.C.	2,634	(17)		2,617
3	Accelerated amortization of rolling stock, Sec. 184 I.R.C.	4,324	(524)		3,800
4	Amortization of rights of way, Sec. 185 I.R.C.	73	484		557
5	Other (Specify) Claims Reserve	(1,118)	219	88	(811)
6	Reacquisition of 1st Mortgage Bonds	649	71		720
7	Provision for Contingencies	745	466	404	1,615
8	Other				
9	Investment tax credit *	(5,898)	(130)	(52)	(6,080)
10	TOTALS	26,758	790	149	27,697

Distribution of tax expense:

11	(532) Railway tax accruals (Schedule 350(A), line 64)	12,414
12	(544) Miscellaneous tax accruals	8
13	(590) Income taxes on extraordinary items	
14	Other (specify):	
15		
16		
17		
18	Total tax expense for year	12,422

* Footnotes:

19	Indicate method elected by carrier, as provided in the Revenue Act of 1971, to account for the investment tax credit: Flow-through ☒ Deferral	
20	If flow-through method was elected, indicate net decrease (or increase) in tax accrual because of investment tax credit	\$ 907
21	If deferral method was elected, indicate amount of investment tax credit utilized as a reduction of tax liability for current year	\$ -
22	Deduct amount of current year's investment tax credit applied to reduction of tax liability but deferred for accounting purposes	\$ (130)
23	Balance of current year's investment tax credit used to reduce current year's tax accrual	\$ 777
24	Add amount of prior year's deferred investment tax credits being amortized and used to reduce current year's tax accrual	\$ -
25	Total decrease in current year's tax accrual resulting from use of investment tax credits	\$ 777

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	Rental Henning Street Yard at	Chicago and North Western	\$
2	Kansas City, Missouri	Transportation Company	63
3			
4			
5		Total	63

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."

Report dollars in thousands.

Line No.	Description of Property		Name of lessee (c)	Amount of rent (d)
	Name (a)	Location (b)		
1	Rental of Land	Port Arthur, Texas	Gulfport Shipbuilding Co.	\$ 42
2				
3	Rental of Land	Alexandria, LA.	Frost Whited Company	13
4				
5	Rental of Freight House	New Orleans, LA.	J. E. Koerner Co., Inc.	22
6				
7	Other Items, each less			
8	than \$250,000			489
9				
10				
11			Total	566

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					
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.

Schedule 376.—HIRE OF FREIGHT CARS AND HIGHWAY REVENUE EQUIPMENT

(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	36,134,414				3,467
2	Refrigerator cars	2,739,255		1		159
3	All other cars	26,494,436		2		1,309
4	Total (Lines 1-3)	65,368,105		3		4,935
5	TOFC and/or COFC Cars	7,207,032	28	45		1,306
	Combination Mileage and Per Diem Basis:					
	Mileage Portion:					
6	Unequipped box cars	23,074,140	1,037	696		41
7	All other per diem cars	59,088,162	1,004	1,915		
8	Total (Lines 6 and 7)	82,162,302	2,041	2,611		41
	Per Diem Portion:					
	Unequipped Box Cars:					
	U.S. Ownership:					
9	Basic		2,193	1,486		234
10	Incentive		968	733		
	Canadian Ownership:					
11	Basic		XXXXXXXXXX	23		
12	Incentive		XXXXXXXXXX	6		
13	All Other Per Diem Cars		4,120	7,394		
14	Total Per Diem Portion (Lines 9-13)		7,281	9,642		234
15	Leased Rental-Railroad, Insurance and Other Companies		15			3,138
16	Other Basis		32	44		
	CAR-DAYS PAID FOR (Lines 6 through 14)					
17	Unequipped Box Cars		413,336	370,738		
18	All Other Per Diem Cars		737,640	1,318,040		
	OTHER FREIGHT CARRYING EQUIPMENT					
19	Refrigerated Highway Trailers			2		2
20	Other Highway Trailers		228	299		395
21	Auto Racks		72	37	472	219
22	GRAND TOTAL (Lines 4, 5, 8, 14-16 & 19-21)		9,697	12,683	472	10,270
23	NET BALANCE CARRIED TO INCOME ACCOUNT: CREDIT \$			or DEBIT \$	12,784	

Lines 6 and 9 in Column (f) apply to American Rail Box Car Company.

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 _____	71		
3	Other basis _____			
	Locomotives of individuals and companies not carriers:			
4	Mileage basis _____			
5	Per diem basis _____			
6	Lease rental-insurance and other companies _____		1,145	
7	Other basis _____			
8	Total _____	71	1,145	

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, Tolmak, Inc.	\$ 208	\$	\$	\$ 208
2					
3	Rental track, Port of Beaumont	11			11
4					
5	Rental track, Rice Carden Corp.	4			4
6					
7	Other items, each less than				
8	\$250,000	8			8
9					
10	Total	231			231

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 Equipment at			\$
2	various locations, each			
3	item less than \$250,000		Carland, Inc.	1,038
4				
5	Rental track and land	Cedar Grove, Louisiana	Slack Industrial Park	19
6				
7				
8				
9				
10			Total	1,057

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"; 590, "Income taxes on extraordinary 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)
	519	Miscellaneous Income	\$	\$
1		Profit from sale of property		351
2		Gain on retirement of 1st Mortgage Bonds		258
3		Bonus and royalties on natural resources		11
4		Other items, each less than \$250,000		21
5		Total Account 519		641
6				
7	551	Miscellaneous Income Charges		
8		Accruals for uncollectible bills	248	
9		Penalties and fines	79	
10		Contributions	35	
11		Other items, each less than \$250,000	64	
12		Total Account 551	426	
13				
14	570	Extraordinary Items	None	
15				
16	590	Income Taxes On Extraordinary Items		None
17				
18	606	Other Credits To Retained Income		None
19				
20	616	Other Debits To Retained Income	None	
21				
22	620	Appropriations For Sinking And Other Reserve Funds		
23		Retirement of 1st Mortgage Bonds	600	
24				
25	621	Appropriations For Other Purposes	None	
26				
27	622	Appropriations Released		
28		First Mortgage Bonds Redeemed		600
29				
30				

MEMORANDA RELATING TO SELECTED INCOME AND RETAINED INCOME ACCOUNTS

Road Initials:

Year: 1976

KANSAS CITY SOUTHERN LINES CONSOLIDATED

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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 of track should be reported to the nearest WHOLE mile adjusted to accord with footings, i.e.: counting one-half mile and over as a whole mile and disregarding any fraction less than one-half 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	1,475	9		210	172	306	2,172
2										
3										
4	1J	50%	M		4		11	2	61	78
5	1J	66-2/3%	M						1	1
6	1J	33-1/3%	M						1	1
7										
8	Total 1J Main		M		4		11	2	63	80
9										
10	Total 1 & 1J Main		M	1,475	13		221	174	369	2,252
11										
12										
13	1	100%	B	56			4	25	5	90
14										
15										
16	1J	50%	B				1	15		16
17	1J	33%	B					2		2
18										
19	Total 1J Branch		B				1	17		18
20										
21	Total 1 & 1J Branch		B	56			5	42	5	108
22	Total Class 1			1,531	13	-	226	216	374	2,360
23										
24	3A	100%	M					15		15
25										
26										
27	3A	100%	B					2		2
28										
29										
30	3B	100%	M					4	4	8
31	Total Class 3							21	4	25
32										
33	5	100%	M	107	9	2	7	7	69	201
34										
35										
36	5	100%	B	27			2	2		31
37	Total Class 5			134	9	2	9	9	69	232
38										
39										
40										
41										
42										
43										
44										
45										
46										
47										
48										
49										
50										
51										
52										
53										
54										
55	Total Main Line		XXX	1,582	22	2	228	200	442	2,476
56	Total Branch Lines		XXX	83			7	46	5	141
57	Grand Total		XXX	1,665	22	2	235	246	447	2,617
58	Miles of road or track electrified included in preceding grand total		XXX							None

11-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 Company 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 of track should be reported to the nearest WHOLE mile adjusted to accord with footings, i.e., counting one-half mile and over as a whole mile and disregarding any fraction less than one-half mile.

Line No.	State or territory (a)	LINE OWNED		ROAD OPERATED BY RESPONDENT					LINE OWNED, NOT OPERATED BY RESPONDENT		New line constructed during year (k)
		Main line (b)	Branch lines (c)	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)	
1	Missouri	185	12				5	202			
2											
3	Kansas	19	6					25			
4											
5	Arkansas	224	1				7	232			
6											
7	Oklahoma	157					19 ²⁰	176 ¹¹			
8											
9	Louisiana	652	23				63	738			
10											
11	Texas	238	15				39	292			
12											
13											
14											
15											
♦ 16	Total Mileage (single track)	♦ 1,475	♦ 57 ⁵⁶				133 ⁴	1,665	♦	♦	♦

+ 56
1531

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 mileage should be reported by classes and stated to the nearest whole mile adjusted to accord with footings, i.e.: counting one-half mile and over as a whole mile and disregarding any fraction less than one-half 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				1	1		2	
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12										
13	Total Increase	M				1	1		2	

DECREASES IN MILEAGE

14	1	M	2			1	2	4	9	
15	1	B	3				1		4	
16	1J	M					2	2	4	
17										
18										
19										
20										
21										
22										
23										
24										
25	Total Decrease	M	5			1	5	6	17	

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.

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					Total mileage operated (g)	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)			
1									
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
15									
16									
Total Mileage									

Not Applicable

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 "C" 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-propelled 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

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 retired from service of respondent whether owned or leased, including reclassification (g)	Units at Close of Year				Leased to others
			Units installed			Owned and used		Leased from others	Total in service of respondent (col. (h)&(i))	Aggregate capacity of units reported in col. (j) (see ins. 7)		
			New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt into property accounts (e)						All other units including reclassification and second hand units purchased or leased from others (f)	
Locomotive Units												
1	Diesel-Freight — A units	109		10				95	24	119	313,250	
2	Diesel-Freight — B units	11						11		11	16,500	
3	Diesel-Passenger — A units											
4	Diesel-Passenger — B units	11						11		11	17,750	
5	Diesel-Multiple purpose — A units											
6	Diesel-Multiple purpose — B units	94						75	19	94	123,700	
7	Diesel-Switching — A units											
8	Diesel-Switching — B units	225		10				192	43	235	471,200	
9	Total (lines 1 to 8)	225		10				192	43	235	471,200	
10	Electric-Freight											
11	Electric-Passenger											
12	Electric-Multiple purpose											
13	Electric-Switching											
14	Total (lines 10 to 13)											
15	Other self-powered units	225		10				192	43	235	471,200	
16	Total (lines 9, 14 and 15)	8							8	8	XXXX	
17	Auxiliary units											
18	Total Locomotive Units (lines 16 and 17)	233		10				192	51	243	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)	During Calendar Year						TOTAL (l)
	Before Jan. 1, 1955 (b)	Between Jan. 1, 1955 and Dec. 31, 1959 (c)	Between Jan. 1, 1960 and Dec. 31, 1964 (d)	Between Jan. 1, 1965 and Dec. 31, 1969 (e)	Between Jan. 1, 1970 and Dec. 31, 1974 (f)	1975 (g)	
19 Diesel	78	3	19	40	81	4	235
20 Electric							
21 Other self-powered units	78	3	19	40	81	4	235
22 Total (lines 19 to 21)	6			2			8
23 Auxiliary units							
24 Total Locomotive Units (lines 22 and 23)	84	3	19	42	81	4	243

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 (b)	Changes During the Year					Units at Close of Year						
			Units Installed					Units retired from service of respondent whether owned or leased, including reclassification (g)	Owned and used (h)	Leased from others (i)	Total in service of respondent (col. (h)&(i)) (col. (h)&(i))	Aggregate capacity of units reported in col. (j) (see ins. 7) (k) (Seating capacity)	Leased to others (l)	
			New units purchased or built (c)	New units leased from others (d)	Rebuilt units acquired and rebuilt into property accounts (e)	All other units, including reclassification and second hand units purchased or leased from others (f)								
	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]													
30	Postal cars [All class M]												XXXX	
31	Non-passenger carrying cars												XXXX	
	[All class B, CSB, PSA, IA]													
32	Total (lines 25 to 31)												XXXX	
	Self-Propelled Rail Motorcars													
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]	14									14	14	XXXX	
41	Derrick and snow removal cars [MWU, MWV, MWV, MWK]	8								3	5	8	XXXX	
42	Dump and ballast cars [MWB, MWD]												XXXX	
43	Other maintenance and service equipment cars	70			2				59	13		72	XXXX	
44	Total (lines 39 to 43)	94			2				62	34		96	XXXX	

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 (d) give the number of units purchased or built in company shops. In column (e) 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 (n); units temporarily out of respondent's service and rented to others for less than one year are to be included in column (i); units rented from others for a period less than one year should not be included in column (j).

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			
		Time-mileage cars	All others	Units Installed			
				New units purchased or built ¹	New units leased from others	Rebuilt units acquired and rebuilt units rewritten into property accounts ¹	All other units, including reclassification and second hand units purchased or leased from others
	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	FREIGHT-TRAIN CARS						
45	Box-General Service (unequipped) [All B, L070, R-00, R-01]	3,025 *					
46	Box-General Service (equipped) [A-20, A-30, A-40, A-50, R-06, R-07]	1,180 *					
47	Box-Special Service [A-00, A-10]	117 *					
48	Gondola-General Service [All G (except G-9-)]	908 *					
49	Gondola-Special Service [G-9-, J-00, all C, all E]	104 *					
50	Hopper (open top)-General Service [All H (except H-70)]	341 *					
51	Hopper (open top)-Special Service [H-70, J-10, J-20, all K]	542 *					
52	Hopper (covered) [L-5-]	1,468 *					
53	Tank, under 12,000 gallons T--O, 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]	40 *					
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	Flat-Multi-level (vehicular) [All V]	36 *					
63	Flat-General Service [F-0-]	272 *					
64	Flat-Special Service [F-1-, F-9-, F-20, F-30, F-40, L-2-, L-3-]	746 *					
65	Flat-TOFC [F-7-, F-8-]	10 *					2
66	All other [L-0-, L-1-, L-4-, L080, L090]	2 *					
67	Total (lines 45 to 66)	8,798 *					2
68	Caboose [All N]	XXXX	77 *		7		2
69	Total (lines 67, 68)	8,798 *	77 *		7		4
¹ Box, unequipped (which relates to incentive per diem order)		New units purchased or built				Units rebuilt or acquired	
		General funds		Incentive funds		General funds	Incentive funds

417. INVENTORY OF EQUIPMENT—Continued

4. Column (m) should show aggregate capacity for all units reported in columns (k) and (l), 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 (a) correspond to the AAR Multiple 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

UNIT OWNED, INCLUDED IN INVESTMENT ACCOUNT, AND LEASED FROM OTHERS							
Changes during year (Concluded)	Units At Close of Year						Line No.
Units retired from service of respondent whether owned or leased, including re-classification (h)	Owned and used (i)	Leased from others (j)	Total in service of respondent (col. (i)+(j))		Aggregate capacity of units reported in col. (k)+(l) (see ins. 4) (m)	Leased to others (n)	
			Time-mileage cars (k)	All other (l)			
448	2,192	385	2,577		184,659		45
53	916	211	1,127		77,336		46
	115	2	117		6,773		47
77	740	91	831		62,758		48
	29	75	104		13,483		49
59	161	121	282		24,089		50
3	497	42	539		40,178		51
30	857	581	1,438		134,914		52
							53
	7		7		350		54
	40		40		3,660		55
							56
							57
							58
							59
							60
	36		36		1,800		61
4	268		268		17,033		62
							63
30	414	302	716		67,429		64
	12		12		605		65
	2		2		154		66
704	6,286	1,810	8,096		635,221		67
	55	31	XXXX	86	XXXXXXXXXXXXXX		68
704	6,341	1,841	8,096	86	635,221		69
							70

417. INVENTORY OF EQUIPMENT--Concluded

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

Line No.	Class of equipment and car designations (a)	Units in service of respondent at beginning of year		Changes During the Year			
		Per diem (b)	All other (c)	Units Installed			
				New units purchased or built ¹ (d)	New units leased from others (e)	Rebuilt units acquired and rebuilt units rewritten into property accounts (f)	All other units, including reclassification and second hand units purchased or leased from others (g)
	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 (i)	Leased from others (j)	Total in service of respondent (col. (i) + (j))		Aggregate capacity of units reported in col. (k) + (l) (see ins. 4) (m)	Leased to others (n)	
			Per diem (k)	All other (l)			
Units retired from service of respondent whether owned or leased, in- cluding re- classification (h)					(Tons)		
			XXXX				71
			XXXX				72
			XXXX	None			73
							74
							75
							76
							77
							78
							79
							80
							81
							82
							83
			None	None			84
							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 (i) 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
				202		16
				16		17
				24		18
				194	*	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	21,350	XXXXXX	20
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	21
XXXXXX	XXXXXX	XXXXXX	XXXXXX	981,723	XXXXXX	22
XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	23

*84 units equipped with hi-rail attachments.

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			
6	Louisiana, Arkansas & Texas		
7	Transportation Company	Direct	July 1930
8			
9			
10	Landa Motor Lines	Direct	July 1939
11			
12			
13	114 West 11th Street		
14	Kansas City, Missouri 64105		
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)	Derails 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	59	93
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	59	93
8	Number at Close of Year by States:								
9	Missouri	1	5		2		8	10	18
10									
11	Kansas					7	7	7	14
12									
13	Oklahoma	1					1		1
14									
15	Arkansas	1				1	2	6	8
16									
17	Louisiana	3	4			7	14	31	45
18									
19	Texas	2					2	5	7
20									
21									
22									
23									
24									
25									

510. GRADE CROSSINGS—Continued

B—Railroad With Highway

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-actuated devices with or without audible supplements. Include in column (f), 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 (c), lines 9 and 10 should be equal, resulting in no change in the total number of crossings.

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 the highway. If the crossing is a grade crossing, 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. No: 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 thereon by the reporting company whether or not the track is located in a 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

TYPES OF PROTECTION FOR, AND NUMBERS OF CROSSINGS AT GRADE

Line No.	Item of Annual Change	Automatic gates with flashing lights (b)	Automatic flashing light signals (c)	Gates manually operated		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)								
1	Number at beginning of year	18	178	7			120	323	879	422	12	213	1,849
2	Added: By new, extended or relocated highway		1				1	2	45	2		26	75
3	By new, extended or relocated railroad												
4	Total added		1	2			1	2	45	2		26	75
5	Eliminated: By closing or relocation of highway	1					3	6	50	23		2	81
6	By relocation or abandonment of railroad								2				2
7	By separation of grades												
8	Total eliminated	1		2			3	6	52	23		2	83
9	Changes in protection: Number of each type added	4	123				106	127	385	1	2	11	526
10	Number of each type deducted			5			(108)	111	6	364		45	526
11	Net of all changes	3	124	(7)			12	12	372	(384)	2	(10)	8
12	Number at close of year	21	302				12	335	1,251	38	14	203	1,841
13	Number at close of year by States:												
14	Missouri	4	36				7	47	190	2		26	265
15													
16	Kansas	2	9					11	37			14	62
17													
18	Oklahoma	1	18				2	21	80	20		6	127
19													
20	Arkansas	5	20					25	159	8		24	216
21													
22	Louisiana	5	145				3	153	527	8	14	84	786
23													
24	Texas	4	74					78	258			49	385
25													
26													

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	146	113	259
2	Added: By new, extended or relocated highway			
3	By new, extended or relocated railroad			
4	By elimination of grade crossing ¹			
5	Total added			
6	Deducted: By closing or relocation of highway		2	2
7	By relocation or abandonment of railroad			
8	Total deducted *		2	2
9	Net of all changes		(2)	(2)
10	Number at close of year	146	111	257
	Number at close of year by States:			
11				
12	Missouri	37	41	78
13				
14	Kansas	7		7
15				
16	Oklahoma	6	7	13
17				
18	Arkansas	9	4	13
19				
20	Louisiana	72	38	110
21				
22	Texas	15	21	36
23				
24				
25				
26				
27				
28				
29				

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

*Adjusted to conform with U.S. Department of Transportation - Association of American Railroads Crossing Inventory.

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:

(L) 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. In these columns, "total cost" is to be reported in thousands.

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.

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 previously constructed tracks during year (d)	Number of feet (board measure) applied (e)	Average cost per M feet (board measure) (f)	Total cost of switch and bridge ties laid in previously constructed tracks during year (g)	
1	T	417,442	\$ 10.05	\$ 4,196	682,531	\$ 298.89	\$ 204	New
2	S	35,671	23.26	830				New
3								Concrete
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	453,113	11.09	5,026	682,531	298.89	204	

(Dollars in thousands)

21	Amount of salvage on ties withdrawn	\$ None
22	Amount chargeable to operating expenses	\$ 5,229
23	Amount chargeable to additions and betterments	\$ 1

Estimated number of crossties in all maintained tracks:

	Number	Percent of Total
24 Wooden ties	6,813,407	96.68
25 Other than wooden ties (steel, concrete, etc.) Concrete	234,140	3.32
26 Total	7,047,547	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 adjustments 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. In columns (d) and (g), report "total cost" 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	8,446	\$ 8.07	\$ 68	53,235	\$ 262.98	\$ 14	New
2	S	5,779	22.63	131				New
3								Concrete
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20	Total	14,225	13.99	199	53,235	262.98	14	
21	Number of miles of new running tracks, passing tracks, cross-overs, etc., in which ties were laid							1
22	Number of miles of new yard, station, team, industry, and other switching tracks in which ties were laid							1

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. In these columns, "total cost" is to be reported in thousands.

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.

Line No.	Class of rail	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)		
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	4	60		\$	\$		1	\$	\$
2	4	70					1		
3	4	85	166	5	30.12	85	329	42	127.66
4	4	90	843	24	28.47	90	643	23	37.77
5	2	90	108	29	268.52	90	61	16	262.30
6	4	100	22	1	45.45	100	126	17	134.92
7	2	112	1			112			
8	4	112	235	7	29.79	112	104	8	76.92
9	2	115	6,165	1,901	308.35	115	50	14	280.00
10	4	115	56	2	35.71	115	44	2	45.45
11	2	127	33	3	90.91	127			
12	4	127	1,109	33	29.76	127	253	8	31.62
13	2	136	3			136	42	4	95.24
14	4	136	19	1	52.63	136	1		
15	2	137	2,757	853	309.39	137	13	4	307.69
16									
17									
18									
19									
20	Total	X X X X	11,517	2,859	246.28	X X X X	1,668	138	82.73

(Dollars in thousands)

21	Number of tons (2,000 lb.) of relays and scrap rail taken up	3,851
22	Salvage value of rails released	\$ 300
23	Amount chargeable to operating expenses	\$ 1,622
24	Amount chargeable to additions and betterments	\$ 1,075
25	Miles of new rails laid in replacement (all classes of tracks) +	89.22 (rail-miles)
26	Miles of new and second-hand rails laid in replacement (all classes of tracks) +	131.08 (rail-miles)
27	Average weight per yard of new rails laid in replacement (running, passing, and cross-over tracks, etc.) *	121 (pounds)
28	Tons of rail sold as scrap and amount received	1,438 (tons of 2,000 lb.); \$ 144
29	Track-miles of welded rail installed this year	39.10 : total to date 126.66

*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, 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.

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.

In columns (d) and (h), report "total cost" 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	90	4	\$ 1	\$ 29.97	90	(1)	(1)	(2.35)
2	2	90	9	3	299.52	90	36	12	325.13
3	4	100				100	22	2	112.48
4	4	112				112	4	1	35.00
5	2	115	2	1	250.64	115	166	54	326.81
6	4	115				115	31	1	29.99
7	4	127	185	6	30.00	127			
8									
9									
10									
11									
12									
13									
14									
15									
16	Total	XXX	200	11	55.00	XXX	258	69	267.44

17 Number of miles of new running tracks, passing tracks, cross-overs, etc., in which rails were laid 1

18 Number of miles of new yard, station, team, industry, and other switching tracks in which rails were laid 1

19 Track-miles of welded rail installed this year 39.10 : total to date 126.66

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	153.38		
2	133	5.37		
3	132	.39		
4	127	394.21		
5	115	298.53		
6	112	228.85		
7	100	22.71		
8	90	344.11		
9	85	59.15		
10	80	11.34		
11	75	5.23		Includes only 1/2 of 4.55 miles of track jointly owned.
12	70	18.35		
13	60	.75		
14		1,542.37		All track standard gauge 4 ft. 8 1/2 in.
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	1,665		1,665
	Train-Miles			
2	Diesel locomotives	2,526,323		2,526,323
3	Other locomotives			
4	Total locomotives	2,526,323		2,526,323
5	Motorcars			
6	Total train-miles	2,526,323		2,526,323
	Locomotive Unit-Miles			
7	Road service	7,153,534		7,153,534
8	Train switching	549,821		549,821
9	Yard switching	1,785,750		1,785,750
10	Total locomotive unit-miles	9,489,105		9,489,105
	Car-Miles (Thousands)			
11	Total motorcar car-miles			
12	Loaded time-mileage freight cars	65,501		65,501
13	Loaded other freight cars	47,238		47,238
14	Empty time-mileage freight cars	54,672		54,672
15	Empty other freight cars	44,237		44,237
16	Caboose	2,526		2,526
17	Total freight car-miles (lines 12, 13, 14, 15 and 16)	214,174		214,174
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)	214,174		214,174
	Gross Ton-Miles and Train-Hours in Road Service			
27	Gross ton-miles of locomotives and tenders (thousands)	990,720		990,720
28	Gross ton-miles of freight-train cars, contents, and cabooses (thousands)	13,725,925		13,725,925
29	Gross ton-miles of passenger-train cars and contents (thousands)			
30	Train-hours—Total	139,294		139,294
	Revenue and Nonrevenue Freight Traffic			
31	Tons of revenue freight	XX XX XX	XX XX XX	24,979,579
32	Tons of nonrevenue freight	XX XX XX	XX XX XX	776,294
33	Total tons revenue and nonrevenue freight	XX XX XX	XX XX XX	25,755,873
34	Ton-miles—Revenue freight in road service (thousands)	XX XX XX	XX XX XX	6,773,035
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	6,773,035
37	Ton-miles—Nonrevenue freight in road service (thousands)	XX XX XX	XX XX XX	104,052
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	104,052
40	Net ton-miles of freight—Revenue and nonrevenue (thousands)	6,877,087		6,877,087
	Revenue Passenger Traffic			
41	Passengers carried—Total	XX XX XX	XX XX XX	None
42	Passenger-miles—Total	XX XX XX	XX XX XX	None
	Train-Miles Work Trains			
43	Locomotives			33,575
44	Motorcars			
45	Total			33,575

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, _____			

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. Report in column (d) the total amount of compensation other than annual salary paid to each listed employee during the year. This includes forms of nonmonetary compensation given which directly benefits each employee. Examples:

Fair value of property given, such as exclusive use of an automobile;
Amounts paid for membership of the employee in nonbusiness associations, private clubs, etc.;
Commissions, bonuses, shares in profits;
Contingent compensation plans;
Monies paid or accrued for any pension, retirement, savings, retirement annuities, deferred compensation, or similar plan;
Premiums on life insurance where the respondents is not the beneficiary. Do not report premiums on group life insurance for benefits less than \$50,000.

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 or Title (b)	Salary per annum as of close of year (see instructions) (c)	Other compensation during the year (d)
1				
2				
3				
4	W. N. Deramus III	Chairman of Board		
5		& Chief Executive Officer	87,600.00	
6			105,000.00	2,700.00 *
7			eff. 2/1/76	
8				
9	T. S. Carter	President & Chief	55,200.00	
10		Operating Officer	65,000.00	2,700.00 *
11			eff. 2/1/76	
12				
13	D. E. Farrar	Vice President-	43,800.00	
14		Personnel	49,500.00	
15			eff. 2/1/76	
16				
17	T. A. Giltner	Vice President &	41,100.00	
18		Comptroller	45,000.00	
19			eff. 2/1/76	
20				
21	M. F. McClain	Vice President-		
22		Marketing & Asst.	37,800.00	
23		to Chairman	43,000.00	
24			eff. 2/1/76	
25				
26	G. E. Kellogg	Senior Vice President	36,900.00	
27		and Secretary	43,000.00	1,000.00 *
28			eff. 2/1/76	
29	* Directors' Fees			
30				
31				
32				
33				
34				
35				
36				
37				
38				

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, payments 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	\$ 203
2	Western Railroad Association	" " " " "	483
3	Southeastern RR Asstd. Bureau	" " " " "	15
4	Natl. Ry. Labor Conference	" " " " "	40
5	Hartford Insurance Company	Insurance Premiums on Employees	376
6	Benefit Trust Life Ins. Co.	" " " " "	24
7	Provident Life & Accident Ins.	" " " " "	43
8	Travelers Insurance Company	" " " " "	2,695
9	Great Western Enterprises	Services Rendered	575
10	Servitron, Inc.	" " " " "	226
11	Trans Mark Services, Inc.	" " " " "	112
12			
13			
14			
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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:

- Lawful tariff charges for transportation services.
- Payments to or from other railroads for interline services and interchange of equipment.
- 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.
- 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:

- If respondent directly controls affiliate insert the word "direct".
- If respondent controls through another company insert the word "indirect".
- If respondent is under common control with affiliate insert the word "common".
- 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, Inc.	0	General Advertising	Cost + 15%		0		6
2	Systec Data Management, Inc.	23	Computer Programming	\$13.43 Hour	8-1-71	10 Yrs		340
3	KCS Industries, Inc.	70	General Accounting & Legal	Revenue Prorate		0		1,957
4	Southern Development Co.	51	Rental	\$5.00 Sq. Ft.	2-1-51	Continuous		219
5	Carland, Inc.	95	Rental Equipment	Various	Various	8 Yrs		2,148
6	Rice-Carden Corporation	9	Dockage Rent	Tariff Rate		0		70
7	Veals, Inc.	100	Microwave Rental & Mtnc.	Cost + 2%	9-26-73	5 Yrs		788
8	Tolmak, Inc.	100	Rental Tracks & Repairs	6% Valuation Cost	7-1-67	Continuous		301
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								

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 transferred 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	Kansas City Southern			\$	\$	\$
2	Industries, Inc.	Controlled	Advance in open account	2,120	2,120	
3						
4						
5						
6						
7						
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.

When 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.

134500 ANNUAL REPORT 1976 CLASS 1 R.R. 3 01 4
KANSAS CITY SOUTHERN RY. CO.

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 Co.	KC Southern Industries, Inc.	Indirect	Rent	\$12,937 Quarterly	7-75	5 Yrs.		52
2									
3									
4									
5									
6									
7									
8									
9									
10									
11									
12									
13									
14									
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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 non-carrier 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 non-carrier subsidiary of respondent.
3. In column (b) enter the name of other affiliated company with which the non-carrier 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 non-carrier 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 Non-carrier 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 preceeding 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 non-carrier 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	23,059,079			
2	Passenger				
3	Yard switching	3,416,508			
4	Total	26,475,587			
5	Cost of Fuel*	\$ 8,113	\$	\$	\$
6	Work Train	74,249			

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)

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 (k). Contracts 10731 and 10732 dated June 15, 1976 between General Motors Corporation (EMD) and Paccar, Inc. assigned to American National Bank and Trust Co. of Chicago covering lease of 10 EMD, 3,000 H.P. diesel electric road locomotives and 7 cabooses with semi-annual rental over a period of 15 years or to April 1, 1992.

Various agreements dated in 1976 between Carland, Inc. and respondent for lease of equipment for terms of 3 and 5 years.

	<u>Description</u>	<u>Annual Rental</u>
29	Cars and Trucks	\$125,118
43	Roadway Machines	243,622
3	Remanufactured EMD Engines	41,637
3	Mechanical Equipment	14,330
	Miscellaneous Equipment	29,590

Schedule 585.—COMPETITIVE BIDDING — CLAYTON ANTITRUST ACT

Section 10 of the Clayton Antitrust Act (15 U.S.C. 20) states that "no common carrier engaged in commerce shall have any dealings in securities, supplies or other articles of commerce, or shall make or have any contracts for construction or maintenance of any kind, to the amount of more than \$50,000, in the aggregate, in any one year, with another corporation, firm, partnership or association when the said common carrier shall have upon its board of directors or as its president, manager or as its purchasing or selling officer, or agent in the particular transaction, any person who is at the same time a director, manager, or purchasing or selling officer of, or who has any substantial interest in, such other corporation, firm, partnership or association, unless and except such purchases shall be made from, or such

dealings shall be made with, the bidder whose bid is the most favorable to such common carrier, to be ascertained by competitive bidding under regulations to be prescribed by rule or otherwise by the Interstate Commerce Commission." The specification for competitive bids is found in the Code of Federal Regulations, Part 1010-Competitive Bids through Part 1010.7 - Carriers Subject to the Interstate Commerce Act.

In column (g), identify the company awarded the bid by including company name and address, name and title of respondent officers, directors, selling officer, purchasing officer and/or general manager that has an affiliation with the seller.

KANSAS CITY SOUTHERN LINES CONSOLIDATED

Year 1976

Line No.	Nature of bid (a)	Date Published (b)	Contract number (c)	No. of bidders (d)	Method of awarding bid (e)	Date filed with the Commission (f)	Company awarded bid (g)
1	Leasing of certain	St. Louis	Lease Numbers	One	Selected most	November 29,	Carland, Inc.
2	equipment including	Globe	700 and 701		favorable bid.	1976	1221 Baltimore
3	railway rolling	Democrat					Kansas City, Missouri
4	stock, maintenance-	Oct. 13,					64105
5	of-way equipment,	15, 20 and					
6	highway rolling	22, 1976					
7	stock, construction						
8	and paving equipment,						
9	water carrier	Kansas City					No officer, director,
10	equipment, data	Times and					selling officer,
11	processing equipment, Star						purchasing officer or
12	communications	Oct. 13,					general manager had an
13	equipment and	15, 20 and					affiliation with the
14	miscellaneous	22, 1976					lessor.
15	equipment.						
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							

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:

R. J. Gauert
(Insert here the name of the affiant)

makes oath and says that he is Assistant 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, 1976, to and including December 31, 1976

RJ Gauert
(Signature of affiant)

Subscribed and sworn to before me, a Notary Public, in and for the State and county above named,
this 25th day of April, 1977
My commission expires May 29, 1979

[Use an
L.S.
impression seal]

G. B. Niedermeyer
(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)

CORRESPONDENCE

[illegible][illegible]

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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 parentheses.

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		(3,295)	(3,096)
2	(702) Temporary cash investments (p. 23)		1,300	4,950
3	(703) Special deposits (p. 23)		90	70
4	(704) Loans and notes receivable (p. 23)			
5	(705) Traffic, car service and other balances-Dr.		155	36
6	(706) Net balance receivable from agents and conductors		(956)	(325)
7	(707) Miscellaneous accounts receivable		1,410	742
8	(708) Interest and dividends receivable		116	90
9	(709) Accrued accounts receivable (p. 23)		7,260	5,458
10	(710) Working fund advances		736	736
11	(711) Prepayments (p. 23)		285	213
12	(712) Material and supplies		11,884	8,943
13	(713) Other current assets (p. 23)		20	54
14	(714) Deferred income tax charges (p. 87)			
15	Total current assets		19,005	17,871
	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)	8	None	8
17	(716) Capital and other reserve funds (pp. 24 and 25)	1,187	None	821
18	(717) Insurance and other funds (pp. 24 and 25)	105	None	105
19	Total special funds		1,300	934
	INVESTMENTS			
20	(721) Investments in affiliated companies (pp. 28-31)		18,964	16,594
21	Undistributed earnings from certain investments in account 721 (pp. 35A and 35B) *			
22	(722) Other investments (pp. 32-35)		4	4
23	(723) Reserve for adjustment of investment in securities—Credit (p. 27, Instruction 9)		(40)	(40)
24	Total investments (accounts 721, 722 and 723)		18,928	16,558
	PROPERTIES			
25	(731) Road and equipment property: Road		85,588	83,289
26	Equipment		99,224	103,612
27	General expenditures		2,347	2,350
28	Other elements of investment			
29	Construction work in progress		2,294	2,930
30	Total (pp. 38-41)		189,453	192,181
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)		189,453	192,181
36	(733) Accrued depreciation—Improvements on leased property (p. 45)			
37	(735) Accrued depreciation—Road and equipment (pp. 44 and 46)		(47,478)	(45,957)
38	(736) Amortization of defense projects—Road and Equipment (p. 47)		(515)	(533)
39	Recorded depreciation and amortization (accounts 733, 735 and 736)		(47,993)	(46,490)
40	Total transportation property less recorded depreciation and amortization (line 35 less line 39)		141,460	145,691
41	(737) Miscellaneous physical property (pp. 52 and 53)		4,946	5,114
42	(738) Accrued depreciation - Miscellaneous physical property (pp. 52 and 53)		(784)	(734)
43	Miscellaneous physical property less recorded depreciation (account 737 less 738)		4,162	4,380
44	Total properties less recorded depreciation and amortization (line 40 plus line 43)		145,622	150,071

COMPARATIVE GENERAL BALANCE SHEET--ASSETS--Continued on page 11

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

For compensating balances not legally restricted, see Schedule 202.

* Refer to Consolidated Balance Sheet, Page 10.

200.—COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued

Line No.	Account or item (a)	(Dollars in thousands) Balance at close of year (b)	Balance at beginning of year (c)
	OTHER ASSETS AND DEFERRED CHARGES	\$	\$
45	(741) Other assets (p. 54)	196	206
46	(742) Unamortized discount on long-term debt	110	121
47	(743) Other deferred charges (p. 54)	2,467	2,015
48	(744) Accumulated deferred income tax charges (p. 87)		
49	Total other assets and deferred charges	2,773	2,342
50	TOTAL ASSETS	187,628	187,776

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 entries 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 — \$

(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 — \$

— 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 — \$

(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 786, Accumulated deferred income tax credits, at beginning of year — \$

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

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual — \$

Other adjustments (indicate nature such as recapture on early disposition) — \$

(iii) Show the amount of investment tax credit carryover at year end — \$

(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 — \$

(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 — \$

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

Description of obligation	Year accrued	Account No.	Amount

Continued on following page

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 parenthesis.

Line Nos	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at begin- ning of year (c)	
CURRENT LIABILITIES			\$	\$	
51	(751) Loans and notes payable (p. 63)				
52	(752) Traffic, car service and other balances—Cr.				
53	(753) Audited accounts and wages payable		4,263	(151)	
54	(754) Miscellaneous accounts payable		1,035	900	
55	(755) Interest matured unpaid		42	62	
56	(756) Dividends matured unpaid		46	46	
57	(757) Unmatured interest accrued		1,037	1,258	
58	(758) Unmatured dividends declared				
59	(759) Accrued accounts payable (p. 63)		8,140	7,535	
60	(760) Federal income taxes accrued (p. 64)		185	(551)	
61	(761) Other taxes accrued (p. 64)		1,632	1,549	
62	(762) Deferred income tax credits (p. 87)				
63	(763) Other current liabilities (p. 63)		1,733	2,280	
64	Total current liabilities (exclusive of long-term debt due within one year)		18,163	12,928	
LONG-TERM DEBT DUE WITHIN ONE YEAR					
65	(764) Equipment obligations and other debt (pp. 56-59)	(a1) Total issued 7,085	(a2) Held by or for respondent None	7,085	7,604
LONG-TERM DEBT DUE AFTER ONE YEAR					
66	(765) Funded debt unmatured	(a1) Total issued 36,495	(a2) Held by or for respondent 1,529	34,966	36,183
67	(766) Equipment obligations	30,009	None	30,009	36,619
68	(767) Receivers' and Trustees' securities	(pp. 56-59)			
69	(768) Debt in default				
70	(769) Amounts payable to affiliated companies (p. 62)			470	181
71	Total long-term debt due after one year			65,445	72,983
RESERVES					
72	(771) Pension and welfare reserves (p. 65)				
73	(774) Casualty and other reserves (p. 65)			2,612	2,753
74	Total reserves			2,612	2,753
OTHER LIABILITIES AND DEFERRED CREDITS					
75	(781) Interest in default (p. 58)				
76	(782) Other liabilities (p. 65)			202	151
77	(783) Unamortized premium on long-term debt			88	101
78	(784) Other deferred credits (p. 65)			564	1,666
79	(785) Accrued liability—Leased property (p. 45)			10	10
80	(786) Accumulated deferred income tax credits (p. 87)			20,363	19,241
81	Total other liabilities and deferred credits			21,227	21,169
SHAREHOLDERS' EQUITY					
Capital stock (Par or stated value)			(a1) Total issued	(a2) Nominally issued securities	
82	(791) Capital stock issued: Common stock (p. 61)		36,000		36,000
83	Preferred stock (p. 67)		21,000		21,000
84	Total		57,000		
85	(792) Stock liability for conversion (p. 68)				
86	(793) Discount on capital stock				
87	Total capital stock			57,000	57,000
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				

COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—
CONTINUED ON PAGE 13.

Note.—See page 11 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—Continued

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at begin- ning of year (c)
	Retained income		\$	\$
92	(797) Retained income—Appropriated (p. 69)		1,647	1,356
93	(798) Retained income—Unappropriated (p. 20)		14,489	12,023
94	Total retained income		16,136	13,379
	Treasury Stock			
95	(798.5) Less: Treasury stock		40	40
96	Total shareholders' equity		73,096	70,339
97	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		187,628	187,776

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	\$			\$
Per diem payable				
Net amount	\$	X X X X X X X X	X X X X X X X X	\$

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: \$

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: \$

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: _____

(b) Show amount of past service pension costs determined by actuaries at year end: \$

(c) Total pension costs for year: _____

Normal costs: \$

Amortization of past service costs: \$

(d) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund: \$

(e) Is any part of pension plan funded? Specify Yes _____ No _____

(i) If funding is by insurance, give name of insuring company: _____

(ii) If funding is by trust agreement, list trustee(s): _____

Date of trust agreement or latest amendment: _____

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

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

(g)(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? _____

EXPLANATORY NOTES ARE CONTINUED ON PAGE 14

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)	Off setting debits and credits for current year (d)
	ORDINARY ITEMS	\$	\$	\$
	OPERATING INCOME			
	Railway Operating Income			
1	(501) Railway operating revenues (p. 73)	97,842	81,559	
2	(531) Railway operating expenses (p. 74)	73,172	63,197	
3	Net revenue from railway operations	24,670	18,362	
4	(532) Railway tax accruals (p. 86)	8,324	7,131	
5	(533) Provision for deferred taxes (p. 87)	1,010	300	
6	Railway operating income	15,336	10,931	
	Rent Income			
7	(503) Hire of freight cars and highway revenue equipment—			
	Credit balance (p. 90)			
8	(504) Rent from locomotives (p. 91)	44	114	
9	(505) Rent from passenger-train cars (p. 91)			
10	(506) Rent from floating equipment			
11	(507) Rent from work equipment	5	3	
12	(508) Joint facility rent income	783	933	
13	Total rent income	832	1,050	
	Rents Payable			
14	(536) Hire of freight cars and highway revenue equipment—			
	Debit balance (p. 90)	8,347	4,132	
15	(537) Rent for locomotives (p. 91)	794	468	
16	(538) Rent for passenger-train cars (p. 91)			
17	(539) Rent for floating equipment			
18	(540) Rent for work equipment	166	170	
19	(541) Joint facility rents	414	483	
20	Total rents payable	9,721	5,253	
21	Net rents (lines 13, 20)	(8,889)	(4,203)	
22	Net railway operating income (lines 6, 21)	6,447	6,728	
	Other Income			
23	(502) Revenues from miscellaneous operations (p. 53)			
24	(509) Income from lease of road and equipment (p. 88)	63		
25	(510) Miscellaneous rent income (p. 88)	289	221	
26	(511) Income from nonoperating property (p. 53)	230	195	
27	(512) Separately operated properties—Profit (p. 89)			
28	(513) Dividend income (from investments under cost only)	300	1,300	
29	(514) Interest income	222	134	
30	(516) Income from sinking and other reserve funds	34	24	
31	(517) Release of premiums on funded debt	13	16	
32	(518) Contributions from other companies			
33	(519) Miscellaneous income (p. 94)	(a1) 587	710	
34	Dividend income (from investments under equity only)	\$		
35	Undistributed earnings (losses)	x x x x	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	1,738	2,600	
38	Total income (lines 22, 37)	8,185	9,328	
	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)	732	641	
42	(544) Miscellaneous tax accruals (p. 53)	7	8	
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

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)	Line No.
\$	\$	\$	\$	\$	\$	\$	
		97,842					1
		73,172					2
X X X X X	X X X X X	24,670	X X X X X	X X X X X			3
		8,324					4
		1,010					5
X X X X X	X X X X X	15,336	X X X X X	X X X X X			6
							7
		44					8
							9
		5					10
		783					11
X X X X X	X X X X X	832	X X X X X	X X X X X			12
							13
		8,347					14
		794					15
							16
		166					17
		414					18
X X X X X	X X X X X	9,721	X X X X X	X X X X X			19
X X X X X	X X X X X	(8,889)	X X X X X	X X X X X			20
X X X X X	X X X X X	6,447	X X X X X	X X X X X			21
							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)	278	632	
47	Total miscellaneous deductions	1,017	1,281	
48	Income available for fixed charges (lines 38, 47)	7,168	8,047	
Fixed Charges				
49	(542) Rent for leased roads and equipment (p. 92)	162	164	
	(546) Interest on funded debt:			
50	(a) Fixed interest not in default	4,235	4,787	
51	(b) Interest in default			
52	(547) Interest on unfunded debt			
53	(548) Amortization of discount on funded debt	14	17	
54	Total fixed charges	4,411	4,968	
55	Income after fixed charges (lines 48, 54)	2,757	3,079	
Other Deductions				
	(546) Interest on funded debt:			
56	(c) Contingent interest			
57	(555) Unusual or infrequent items-Net-(Debit) credit*			
58	Income (loss) from continuing operations (lines 55-57)	2,757	3,079	
DISCONTINUED OPERATIONS				
59	(560) Income (loss) from operations of discontinued segments*			
60	(562) Gain (loss) on disposal of discontinued segments*			
61	Total income (loss) from discontinued operations (lines 59, 60)			
62	Income (loss) before extraordinary items (lines 58, 61)	2,757	3,079	
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES				
63	(570) Extraordinary items-Net-(Debit) credit (p. 94)			
64	(590) Income taxes on extraordinary items-Debit (credit) (p. 94)			
65	(591) Provision for deferred taxes-Extraordinary items (p. 87)			
66	Total extraordinary items (lines 63-65)			
67	(592) Cumulative effect of changes in accounting principles*			
68	Total extraordinary items and accounting changes-(Debit) credit-(lines 66, 67)			
69	Net income (loss) transferred to Retained Income-Unappropriated (lines 62, 68)	2,757	3,079	

* Less applicable income taxes of:

\$

555 Unusual or infrequent items-Net-(Debit) credit

560 Income (loss) from operations of discontinued segments

565 Gain (loss) on disposal of discontinued segments

592 Cumulative effect of changes in accounting principles

NOTE.-See page 19 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 un-

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

5. Line 3 (line 7 if debit balance), column (c), should agree with line 35, column (b), schedule 300. The total of columns (b) and (c), lines 3 and 7, 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)	Retained income- Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balance at beginning of year	\$ 12,023	\$ *
2	(601.5) Prior period adjustments to beginning retained income		
	CREDITS		
3	(602) Credit balance transferred from income	2,757	
4	(606) Other credits to retained income	600	
5	(622) Appropriations released	3,357	
6	Total		
	DEBITS		
7	(612) Debit balance transferred from income		
8	(616) Other debits to retained income	600	
9	(620) Appropriations for sinking and other reserve funds	291	
10	Transfer Incentive Per Diem To Appropriated		
11	(623) Dividends (p. 20)	891	
12	Total		
13	Net increase (decrease) during year (Line 5 minus line 11)	2,466	
14	Balances at close of year (Lines 1 and 13)	14,489	
15	Balance from line 14 (c)		x x x x x
16	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year	14,489	x x x x x
	Remarks		
	Amount of assigned Federal income tax consequences:		
17	Account 606		x x x x x
18	Account 616		x x x x x

***Refer to Consolidated Schedule, Page 20.**

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.

4. Report dollars in thousands.

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

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	See Note			721-Investments In Affiliated Companies	% \$	\$	
2							
3				Capital Stock			
4	1	A-1	VII	The Arkansas Western Railway Company	100	828	
5	1			Kansas City Terminal Ry. Co. (Note 3)	8-1/3	183	
6	1			Joplin Union Depot Company (Note 4)	33-1/3	10	
7	1			Louisiana & Arkansas Railway Company			
8				Common Stock	100	4,072	
9				Preferred Stock	100	2,000	
10				Prior Preferred Stock	100	2,715	
11	1			Fort Smith and Van Buren Railway Co.	100	142	
12				The Pullman Company (Negligible)			5
13				Trailer Train Company	2.9		99
14				Total Class A-1		9,950	104
15							
16		A-3	VI	Southern Development Company	100		10
17				Total Class A		9,950	114
18							
19				Notes			
20	D-1	VII		Railway Express Agency (Negligible)			
21				10-1-1959 Promissory			10
22	A-1	VII		Trailer Train Company (Negligible)			
23				1-1-67 Due 4-17-97			77
24				1-1-67 Due 1-09-99			77
25				Total Notes			164
26							
27				Advances			
28		E-1	VII	Fort Smith and Van Buren Railway Company	100		101
29	2			Kansas City Terminal Railway Company	8-1/3		1,964
30	3			Joplin Union Depot Company	33-1/3		178
31				Kansas City Southern Transport Co., Inc.	100		595
32				Total VII			2,838
33							
34			VI	Southern Development Company	100		3,778
35				Kansas City Southern Industries, Inc.	-		2,120
36				Total VI			5,898
37							
38				Total Advances			8,736
39							
40				Total Account 721		9,950	9,014
41	Note						
42	1			Pledged under First Mortgage of The Kansas City Southern Railway Company.			
43	2			Kansas City Terminal Ry. Co. joint control by twelve railroads.			
44	3			Joplin Union Depot Company joint control by three railroads.			
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 (h) 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
	828						4
	183						5
	10						6
							7
	4,072						8
	2,000				\$3.00 Sh	120	9
	2,715				\$3.00 Sh	180	10
	142						11
	5						12
	99						13
	10,054					300	14
							15
	10						16
	10,064					300	17
							18
							19
							20
	10						21
							22
	77				6½	5	23
	77				7½	6	24
	164					11	25
							26
							27
	101						28
	1,964	250					29
	178						30
	595						31
	2,838	250					32
							33
	3,778						34
	2,120	2,185	65	65	6½-7	97	35
	5,898	2,185	65	65		97	36
							37
	8,736	2,435	65	65		97	38
							39
	18,964	2,435	65	65		408	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	
					Pledged	Unpledged
(a)	(b)	(c)	(d)	(e)	(f)	
1	715			<u>Sinking Funds</u>	\$	\$
2						
3				Series C First Mortgage 3-1/4% Bonds		8
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		63
10						
11	C-3	X		Chemical Bank - Incentive Per Diem		1,068
12				Chemical Bank - Trustee - Cash		50
13				Voting Trust Certificates - Preferred		
14				and Common		6
15						
16				Total Account 716		1,187
17						
18						
19	717			<u>Insurance And Other Funds</u>		
20						
21	C-3	VI		Barclays Bank, Nassau Bahamas		105
22						
23						
24	722			<u>Other Investments</u>		
25						
26	A-3	X		Sallisaw Industrial Corporation		1
27				First Missouri Development Corporation		1
28						
29	D-3	X		KCS Employes Hospital Association - Note		2
30						
31				Total Account 722		4
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)						
\$	\$	\$	\$	\$	%	\$	
							1
							2
	8						3
							4
							5
							6
							7
	63	4			Var.	3	8
							9
	1,068	313			5 & 6	22	10
	50	424	375	375			11
							12
	6						13
							14
	1,187	741	375	375		25	15
							16
							17
							18
							19
	105				8	8	20
							21
							22
							23
							24
	1						25
	1						26
							27
	2						28
							29
	4						30
							31
							32
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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 (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.

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) effected.

Line No.	Account (a)	(Dollars in thousands)			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	1,481	1,529	.67		5	5	.25		
2	(2-1/2) Other right-of-way expenditures	114	114	2.00						
3	(3) Grading	14,227	14,368	.13		28	28	.12		
4	(5) Tunnels and subways									
5	(6) Bridges, trestles, and culverts	10,722	10,824	1.33		7	7	3.45		
6	(7) Elevated structures									
7	(13) Fences, snowsheds, and signs	331	331	2.00		1	1	2.01		
8	(16) Station and office buildings	3,742	3,789	2.00						
9	(17) Roadway buildings	269	274	2.50						
10	(18) Water stations	66	66	5.00						
11	(19) Fuel stations	522	522	2.86						
12	(20) Shops and enginehouses	5,002	5,021	2.22						
13	(21) Grain elevators									
14	(22) Storage warehouses									
15	(23) Wharves and docks									
16	(24) Coal and ore wharves									
17	(25) TOFC/COFC terminals	184	184	3.96						
18	(26) Communications systems	1,418	1,415	2.86						
19	(27) Signals and interlockers	4,744	5,556	3.57						
20	(29) Power plants	10	10	2.00						
21	(31) Power transmission systems	353	353	2.00						
22	(35) Miscellaneous structures	176	176	3.03						
23	(37) Roadway machines	348	359	*						
24	(39) Public improvements—Construction	2,117	2,146	2.09		4	4	4.28		
25	(44) Shop machinery	1,384	1,505	2.86						
26	(45) Power plant machinery	112	112	3.03						
27	All other road accounts									
28	Amortization (other than defense projects)									
29	Total road	47,322	48,654	1.57		45	45	1.08		
	EQUIPMENT									
30	(52) Locomotives	35,035	35,035	4.27						
31	(53) Freight-train cars	67,684	63,484	4.62						
32	(54) Passenger-train cars									
33	(55) Highway revenue equipment									
34	(56) Floating equipment									
35	(57) Work equipment	864	871	9.00						
36	(58) Miscellaneous equipment	30	32	15.83						
37	Total equipment	103,613	99,422	4.54						
38	GRAND TOTAL	150,935	148,076	XX XX		45	45	XX XX		

*Ceased depreciation, ICC Sub Order R-300 E2 effective 1-1-75 for rates on roadway machines.

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	92	10		5		97
2	(2-1/2) Other right-of-way expenditures	88	2				90
3	(3) Grading	205	19		16		208
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	4,001	143		137		4,007
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	288	7				295
8	(16) Station and office buildings	642	74		25		691
9	(17) Roadway buildings	61	8				69
10	(18) Water stations	(27)	3				(24)
11	(19) Fuel stations	129	15				144
12	(20) Shops and enginehouses	1,295	111				1,406
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	47	7				54
18	(26) Communication systems	72	44		(1)		117
19	(27) Signals and interlockers	2,792	172		36		2,928
20	(29) Power plants	4					4
21	(31) Power-transmission systems	259	7				266
22	(35) Miscellaneous structures	111	5				116
23	(37) Roadway machines *	329					329
24	(39) Public improvements--Construction	940	45		8		977
25	(44) Shop machinery*	199	40		4		235
26	(45) Power-plant machinery*	36	3				39
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	11,563	715		230		12,048
	EQUIPMENT						
30	(52) Locomotives	15,038	1,496				16,534
31	(53) Freight-train cars	19,173	3,038		3,585		18,626
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	163	78	4 #			245
36	(58) Miscellaneous equipment	20	5				25
37	Total equipment	34,394	4,617	4	3,585		35,430
38	GRAND TOTAL	45,957	5,332	4	3,815		47,478

*Chargeable to account 705

*Ceased depreciation on roadway machines per letter of H. Neil Garson, Secretary January 30, 1970, Sub Order R-300-D1.

#Two second hand units rewritten into accounts on a sale that was not accepted.

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 (f) 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	KCS Ry. Certificate Number								
2									
3	Leesville				19				19
4	Yard Tracks WD 29641								
5					104				104
6	Block Signal NC 416								
7					282				282
8	Centralized Traffic								
9	Control								
10					38				38
11	11 Passing Tracks								
12									
13	Minor items, each less than \$100,000		19		72		19		72
14									
15									
16									
17									
18									
19									
20									
21	TOTAL ROAD		19		515		19		515
	EQUIPMENT:								
22	(52) Locomotives								
23	(53) Freight-train cars								
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				None				None
30	GRAND TOTAL		19		515		19		515

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 stockholder, 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 *normally 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 (net-par stock) (column(k)) or a percentage or proportion of the profits (column (h)).

(Dollars in thousands)

PREFERRED STOCK

Line No	Class of stock (a)	Date issue was authorized (b)	Par value per share (if non-par, so state) (c)	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)	Fixed amount or percent (Specify) (k)	Participating Dividends	Fixed ratio with common (Specify) (l)
1	Common	5-22-39 \$	Non-Par										
2		4-11-53											
3													
4													
5	Preferred	3-19-1900	50										
6													
7													
8	Debtenture												
9	Receipt outstanding for installments paid*												
10	TOTAL												

PAR VALUE OF PAR-VALUE STOCK OR NUMBER OF SHARES OF NONPAR STOCK

STOCK ACTUALLY OUTSTANDING AT CLOSE OF YEAR

Line No	Authorized (m)	Authenticated (n)	Nominally Issued and		Actually issued (q)	Required 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	\$ 21,000	\$ 21,000			\$ 21,000			420,000	\$ 21,000	
5										
6										
7										
8										
9										
10	TOTAL							1,439,198	\$ 21,000	35,960

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

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)
1	(1)(a) 1st Mtg Sr C Bonds	12-1-54	12-1-84	3-1/4	6 & 12	No	Yes	Yes	Yes		860		
2	SBA - Loan	3-20-75	7-22-80	5	Monthly	No	No	No	No				
3	SBA - Loan	10-6-76	10-6-81	6-5/8	Monthly				(Loan Incomplete)				
4													
5	Equipment Obligations - 4C Equipment Purchase Agreements												
6													
7	Chemical Bank	6-15-61	6-15-76	4-1/2	6 & 12	No	No	No	Yes				
8	Chemical Bank	6-15-61	6-15-76	4-1/2	6 & 12	No	No	No	Yes				
9													
10	Manufacturers Natl Bk	6-01-62	6-15-77	4-3/8	6 & 12	No	No	No	Yes				
11	Manufacturers Natl Bk	6-01-62	6-15-77	4-3/8	6 & 12	No	No	No	Yes				
12													
13	Chemical Bank	5-15-62	5-15-77	4-1/2	5 & 11	No	No	No	Yes				
14													
15	Chemical Bank	7-15-63	7-15-78	4.45	1 & 7	No	No	No	Yes				
16													
17	Chemical Bank	5-15-65	5-15-80	4.65	5 & 11	No	No	No	Yes				
18													
19	Chemical Bank	3-15-66	3-15-76	5-1/2	3 & 9	No	No	No	Yes				
20													
21	Chemical Bank	4-15-66	10-15-81	5-1/2	4 & 10	No	No	No	Yes				
22													
23	Chemical Bank	3-15-67	3-15-77	6-3/4	3 & 9	No	No	No	Yes				
24													
25	Chemical Bank	5-15-67	5-15-82	6-1/4	5 & 11	No	No	No	Yes				
26													
27	Chemical Bank	5-02-68	8-01-78	7-1/4	2 & 8	No	No	No	Yes				
28													
29	Chemical Bank	5-03-68	8-01-83	7	2 & 8	No	No	No	Yes				
30													
31	Chemical Bank	1-01-70	1-15-85	9-3/4	1 & 7	No	No	No	Yes				
32	(Principal starting 1-15-76)												
33	Chemical Bank	9-01-72	2-01-87	6-1/2	2 & 8	No	No	No	Yes				
34				7-5/8									
35	United Missouri Bank	5-15-72	2-02-78	6-3/4	2 & 8	No	No	No	Yes				
36													
37	Chemical Bank	11-1-72	11-1-87	7-1/4	5 & 11	No	No	No	Yes				
38				7-3/4									
39	United Missouri Bank	3-01-73	8-15-78	8	2 & 8	No	No	No	Yes				
40													
41	Chemical Bank	3-15-73	5-15-88	7-1/4	5 & 11	No	No	No	Yes				
42				7-3/4									
43	Chemical Bank	1-15-74	2-15-89	8-1/4	2 & 8	No	No	No	Yes				
44													
45													
46													
47													
48													
49													
50													
51													
				</									

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	\$ 14,500	\$ 1,529	\$ 33,971	\$ None	\$	1
1,942			1,942	531		995	416		2
77			77	18		None	59		3
52,019			52,019	15,049	1,529	34,966	475		4
									5
527			527	527		None	None		6
2,108			2,108	2,108		None	None		7
									8
3,431			3,431	3,317		None	114		9
1,166			1,166	1,137		None	29		10
									11
2,130			2,130	1,988		None	142		12
									13
5,932			5,932	5,142		395	395		14
									15
4,350			4,350	3,190		870	290		16
									17
8,650			8,650	8,650		None	None		18
									19
4,440			4,440	2,960		1,184	296		20
									21
8,090			8,090	7,281		None	809		22
									23
4,097			4,097	2,458		1,366	273		24
									25
5,255			5,255	4,203		526	526		26
									27
4,413			4,413	2,354		1,765	294		28
									29
10,148			10,148	1,014		8,119	1,015		30
									31
5,151			5,151	1,374		3,434	343		32
									33
2,144			2,144	1,424		248	472		34
									35
3,426			3,426	914		2,284	228		36
									37
2,710			2,710	1,626		542	542		38
									39
6,055			6,055	1,412		4,239	404		40
									41
6,570			6,570	1,095		5,037	438		42
									43
90,793			90,793	54,174		30,009	6,610		44
									45
									46
									47
									48
									49
142,812			142,812	69,223	1,529	64,975	7,085		50
									51

219. 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	1st Mortgage Series C 3-1/4% Bonds	\$ 1,117	\$	\$ 1,119	\$
2	SBA - Loan	81		81	
3	SBA - Loan	1		1	
4		1,199		1,201	
5	<u>Equipment Purchase Agreements</u>				
6					
7	Chemical Bank 6-15-61				
8	Chemical Bank 6-15-61	1		1	
9					
10	Manufacturers National Bk. 6-01-62	12		13	
11	Manufacturers National Bk. 6-01-62	4		4	
12					
13	Chemical Bank 5-12-62	9		10	
14					
15	Chemical Bank 7-15-63	40		48	
16					
17	Chemical Bank 5-15-65	59		61	
18					
19	Chemical Bank 3-15-66	5		12	
20					
21	Chemical Bank 4-15-66	90		94	
22					
23	Chemical Bank 3-15-67	66		82	
24					
25	Chemical Bank 5-15-67	109		111	
26					
27	Chemical Bank 5-02-68	98		114	
28					
29	Chemical Bank 5-03-68	156		165	
30					
31	Chemical Bank 1-01-70	894		939	
32					
33	Chemical Bank 1-01-72	286		296	
34					
35	United Missouri Bank 5-15-72	59		71	
36					
37	Chemical Bank 11-01-72	207		210	
38					
39	United Missouri Bank 3-01-73	101		117	
40					
41	Chemical Bank 3-15-73	375		379	
42					
43	Chemical Bank 1-15-74	465		478	
44					
45	Total Equipment Purchase Agreements	3,036		3,205	
46					
47					
48					
49					
50					
51	Grand Total	4,235		4,406	

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	\$	\$	\$	\$ 801	\$ 543	1
SBA - Loan				395	395	2
SBA - Loan	77	77		18	18	3
	77	77		1,214	956	4
Equipment						5
Contract	Date					6
22450	6-15-61)					7
22450	6-15-61)			32	32	8
						9
22725	6-01-62			229	229	10
22750	6-01-62			78	78	11
						12
22675	5-15-62			142	142	13
						14
22971-2-3	7-15-63			396	396	15
						16
23724	5-15-65			290	290	17
						18
24025	3-15-66			433	433	19
						20
24026	4-15-66			296	296	21
						22
24337	3-15-67			809	809	23
						24
24384	5-15-67			273	273	25
						26
24723	5-02-68			525	525	27
						28
24724	5-03-68			295	295	29
						30
25092	1-01-70			1,014	1,014	31
						32
25650	1-01-72			343	343	33
						34
25734	5-15-72			440	440	35
						36
25820	11-01-72			229	229	37
						38
25908	3-01-73			542	542	39
						40
25944	3-15-73			404	404	41
						42
26120	1-15-74			438	438	43
						44
Total				7,208	7,208	45
						46
						47
						48
						49
						50
Grand Total	77	77		8,422	8,164	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				
3	Manufacturers 6-01-62	250 Cars	3,454	23
4				
5	Manufacturers 6-01-62	100 Cars	1,198	32
6				
7	Chemical 5-15-62	10 Locomotives	2,137	7
8				
9	Chemical 7-15-63	210 Cars and 10 Locomotives	5,932	None
10				
11	Chemical 5-15-65	117 Cars and 16 Passenger Cars	4,350	None
12				
13	Chemical 4-15-66	18 Locomotives	4,466	26
14				
15	Chemical 3-15-67	691 Cars	8,091	1
16				
17	Chemical 5-15-67	250 Cars	4,097	None
18				
19	Chemical 5-02-68	462 Cars	5,256	1
20				
21	Chemical 5-03-68	22 Locomotives	4,413	None
22				
23	Chemical 1-01-70	500 Cars	10,148	None
24				
25	Chemical 1-01-72	20 Locomotives	5,151	None
26				
27	United Mo. 5-15-72	311 Cars	2,144	None
28				
29	Chemical 11-01-72	10 Locomotives	3,426	None
30				
31	United Mo. 3-01-73	200 Cars	2,803	93
32				
33	Chemical 3-15-73	300 Cars	6,055	None
34				
35	Chemical 1-15-74	20 Locomotives	6,570	None
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47				
48				
49				
50				

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

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)
1	William N. Deramus III	Kansas City, Missouri	5-18-76	7-14-77	None
2	J. Pat Beaird	Shreveport, Louisiana	"	"	"
3	Thomas S. Carter	Kansas City, Missouri	"	"	"
4	Kirke Couch	Shreveport, Louisiana	"	"	"
5	Edward M. Douthat	Kansas City, Missouri	"	"	"
6	Raymond Gary	Madill, Oklahoma	"	"	"
7	John Hawkinson	Chicago, Illinois	"	"	"
8	I. O. Hockaday, Jr.	Kansas City, Missouri	"	"	"
9	G. William James	Ruston, Louisiana	"	"	"
10	Edward T. McNally	Pittsburg, Kansas	"	"	"
11	Edwin Moore	Shreveport, Louisiana	"	"	"
12	Harold L. Oppenheimer	Kansas City, Missouri	"	"	"
13	Justin R. Querbes, Jr.	Shreveport, Louisiana	"	"	"
14	William H. Saunders, Jr.	New Orleans, Louisiana	"	"	"
15	Nicholas H. Wheelless, Jr.	Shreveport, Louisiana	"	"	"
16					
17					
18					
19					
20					
21					
22					
23	Give the names and titles of all officers of the Board of Directors in control of the respondent at the close of the year:				
24	Chairman of board William N. Deramus III Secretary (or clerk) of board G. E. Kellogg				
25	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:				
26	I. O. Hockaday, Jr., Chairman, J. Pat Beaird, Thomas S. Carter, William N. Deramus III, John Hawkinson,				
27	Edward M. Douthat, Edward T. McNally, 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 of the Board	Executive	William N. Deramus III	None	Kansas City, Missouri
2	President	Executive	Thomas S. Carter	"	"
3	Vice President - Marketing	Executive	M. F. McClain	"	"
4	Vice President - Personnel	Personnel	D. E. Farrar	"	"
5	Senior Vice President and Secretary	Executive	G. E. Kellogg	"	"
6	General Manager	Operating	J. E. Gregg	"	"
7	Vice President and Comptroller	Accounting	T. A. Giltner	"	"
8	Vice President - Traffic	Traffic	L. J. Tamisiea	"	"
9	Treasurer	Treasury	V. C. Pragman	"	"
10	Vice President - Law	Legal	R. E. Zimmerman	"	"
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					

109. VOTING POWERS AND ELECTIONS

1. State the par value of each share of stock: Common, \$ No Par per share; first preferred, \$ 50 per share; second preferred, \$ 50 per share; debenture stock, \$ None 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 Yes

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 _____

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, 1976

8. State the total number of stockholders of record, as of the date shown in answer to inquiry No. 7, (Date) 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						
16						
17						
18						
19						
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. May 18, 1976
12. Give the place of such meeting. Shreveport, Louisiana

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)
			\$	\$
1	(701) Cash	CURRENT ASSETS	(209)	(61)
2	(702) Temporary cash investments (p. 23)		760	3,525
3	(703) Special deposits (p. 23)		137	
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		946	491
7	(707) Miscellaneous accounts receivable		370	267
8	(708) Interest and dividends receivable		17	26
9	(709) Accrued accounts receivable (p. 23)		4,252	4,563
10	(710) Working fund advances		11	11
11	(711) Prepayments (p. 23)		297	220
12	(712) Material and supplies			
13	(713) Other current assets (p. 23)		43	22
14	(714) Deferred income tax charges (p. 87)			
15	Total current assets		6,624	9,064
		SPECIAL FUNDS		
16	(715) Sinking funds (pp. 24 and 25)	(a1) Total book assets at close of year		(a2) Respondent's own issues included in (a1)
17	(716) Capital and other reserve funds (pp. 24 and 25)			
18	(717) Insurance and other funds (pp. 24 and 25)			
19	Total special funds			
		INVESTMENTS		
20	(721) Investments in affiliated companies (pp. 28-31)		9,462	9,697
21	Undistributed earnings from certain investments in account 721 (pp. 35A and 35B) *			
22	(722) Other investments (pp. 32-35)		2	2
23	(723) Reserve for adjustment of investment in securities—Credit (p. 27, Instruction 9)			
24	Total investments (accounts 721, 722 and 723)		9,464	9,699
		PROPERTIES		
25	(731) Road and equipment property: Road		39,805	38,037
26	Equipment		19,675	22,910
27	General expenditures		757	758
28	Other elements of investment			
29	Construction work in progress		3,739	3,311
30	Total (pp. 38-41)		63,976	65,016
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)		63,976	65,016
36	(733) Accrued depreciation—Improvements on leased property (p. 45)			
37	(735) Accrued depreciation—Road and equipment (pp. 44 and 46)		(8,844)	(10,097)
38	(736) Amortization of defense projects—Road and Equipment (p. 47)		(18)	(18)
39	Recorded depreciation and amortization (accounts 733, 735 and 736)		(8,862)	(10,115)
40	Total transportation property less recorded depreciation and amortization (line 35 less line 39)		55,114	54,901
41	(737) Miscellaneous physical property (pp. 52 and 53)		234	234
42	(738) Accrued depreciation - Miscellaneous physical property (pp. 52 and 53)		(15)	(12)
43	Miscellaneous physical property less recorded depreciation (account 737 less 738)		219	222
44	Total properties less recorded depreciation and amortization (line 40 plus line 43)		55,333	55,123

COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued on page 11

NOTE—See page 12 for explanatory notes, which are an integral part of the Comparative General Balance Sheet. For compensating balances not legally restricted, see Schedule 202.

*Refer to Consolidated Balance Sheet, Page 10.

200.—COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	OTHER ASSETS AND DEFERRED CHARGES		\$	\$
45	(741) Other assets (p. 54)		65	138
46	(742) Unamortized discount on long-term debt			
47	(743) Other deferred charges (p. 54)		1,717	1,817
48	(744) Accumulated deferred income tax charges (p. 87)			
49	Total other assets and deferred charges		1,782	1,955
50	TOTAL ASSETS		73,203	75,841

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 entries 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 — \$

(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 — \$

— 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 — \$

(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 786, Accumulated deferred income tax credits, at beginning of year — \$

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

Deduct deferred portion of prior year's investment tax credit used to reduce current year's tax accrual — \$

Other adjustments (indicate nature such as recapture on early disposition) — \$

(iii) Show the amount of investment tax credit carryover at year end — \$

(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 — \$

(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 — \$

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

Description of obligation	Year accrued	Account No.	Amount
			\$

Continued on following page

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 parenthesis.

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES				
51	(751) Loans and notes payable (p. 63)			
52	(752) Traffic, car service and other balances—Cr.		537	96
53	(753) Audited accounts and wages payable		(1,730)	3,534
54	(754) Miscellaneous accounts payable		1	
55	(755) Interest matured unpaid		3	3
56	(756) Dividends matured unpaid		75	75
57	(757) Unmatured interest accrued		4	6
58	(758) Unmatured dividends declared			
59	(759) Accrued accounts payable (p. 63)		2,809	2,595
60	(760) Federal income taxes accrued (p. 64)		(253)	346
61	(761) Other taxes accrued (p. 64)		231	174
62	(762) Deferred income tax credits (p. 87)			
63	(763) Other current liabilities (p. 63)		2,850	1,566
64	Total current liabilities (exclusive of long-term debt due within one year)		4,527	8,395
LONG-TERM DEBT DUE WITHIN ONE YEAR				
65	(764) Equipment obligations and other debt (pp. 56-59)	(a1) Total issued 190	(a2) Held by or for respondent None	190
LONG-TERM DEBT DUE AFTER ONE YEAR				
66	(765) Funded debt unamortized			
67	(766) Equipment obligations			
68	(767) Receivers' and Trustees' securities	(pp. 56-59)		
69	(768) Debt in default			
70	(769) Amounts payable to affiliated companies (p. 62)			
71	Total long-term debt due after one year		379	569
RESERVES				
72	(771) Pension and welfare reserves (p. 65)			
73	(774) Casualty and other reserves (p. 65)		837	435
74	Total reserves		837	435
OTHER LIABILITIES AND DEFERRED CREDITS				
75	(781) Interest in default (p. 58)			
76	(782) Other liabilities (p. 65)		142	105
77	(783) Unamortized premium on long-term debt			
78	(784) Other deferred credits (p. 65)		1,165	52
79	(785) Accrued liability—Leased property (p. 45)			
80	(786) Accumulated deferred income tax credits (p. 87)		7,335	7,517
81	Total other liabilities and deferred credits		8,642	7,674
SHAREHOLDERS' EQUITY				
Capital stock (Par or stated value)				
82	(791) Capital stock issued: Common stock (p. 67)	(a1) Total issued 4,000	(a2) Nominally issued securities None	4,000
83	Preferred stock (p. 67)	5,000	None	5,000
84	Total	9,000	None	
85	(792) Stock liability for conversion (p. 68)			
86	(793) Discount on capital stock			
87	Total capital stock		9,000	9,000
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)			
91	Total capital surplus		267	267

**COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—
CONTINUED ON PAGE 13.**

Note.—See page 11 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—Continued

Line No.	Account or item (a)	(Dollars in thousands)	Balance at close of year (b)	Balance at beginning of year (c)
	<i>Retained income</i>		\$	\$
92	(797) Retained income—Appropriated (p. 69)			
93	(798) Retained income—Unappropriated (p. 20)		49,361	49,311
94	Total retained income		49,361	49,311
	<i>Treasury Stock</i>			
95	(798.5) Less: Treasury stock			
96	Total shareholders' equity		58,628	58,578
97	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		73,203	75,841

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	\$			\$
Per diem payable				
Net amount	\$	X X X X X X X X	X X X X X X X X	\$

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 \$

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 \$

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: \$

(b) Show amount of past service pension costs determined by actuaries at year end \$

(c) Total pension costs for year:

Normal costs \$

Amortization of past service costs \$

(d) State amount, if any, representing the excess of the actuarially computed value of vested benefits over the total of the pension fund. \$

(e) Is any part of pension plan funded? Specify: Yes No

(i) If funding is by insurance, give name of insuring company

(ii) If funding is by trust agreement, list trustee(s)

Date of trust agreement or latest amendment

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

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

(g)(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?

EXPLANATORY NOTES ARE CONTINUED ON PAGE 14

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)	Off setting debits and credits for current year (d)
	ORDINARY ITEMS			
	OPERATING INCOME			
	Railway Operating Income			
1	(501) Railway operating revenues (p. 73)	49,220	46,872	
2	(531) Railway operating expenses (p. 74)	39,447	37,417	
3	Net revenue from railway operations	9,773	9,455	
4	(532) Railway tax accruals (p. 86)	4,040	3,599	
5	(533) Provision for deferred taxes (p. 87)	(220)	(100)	
6	Railway operating income	5,953	5,956	
	Rent Income			
7	(503) Hire of freight cars and highway revenue equipment—			
	Credit balance (p. 90)			
8	(504) Rent from locomotives (p. 91)	28	65	
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	87	87	
13	Total rent income	115	152	
	Rents Payable			
14	(536) Hire of freight cars and highway revenue equipment—			
	Debit balance (p. 90)	4,378	5,052	
15	(537) Rent for locomotives (p. 91)	350	266	
16	(538) Rent for passenger-train cars (p. 91)			
17	(539) Rent for floating equipment			
18	(540) Rent for work equipment	23	22	
19	(541) Joint facility rents	863	883	
20	Total rents payable	5,614	6,223	
21	Net rents (lines 13, 20)	(5,499)	(6,071)	
22	Net railway operating income (lines 6, 21)	454	(115)	
	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)	273	178	
26	(511) Income from nonoperating property (p. 53)	5	5	
27	(512) Separately operated properties—Profit (p. 89)			
28	(513) Dividend income (from investments under cost only)	48	48	
29	(514) Interest income	88	94	
30	(516) Income from sinking and other reserve funds		6	
31	(517) Release of premiums on funded debt			
32	(518) Contributions from other companies			
33	(519) Miscellaneous income (p. 94)	(a1) 53	125	
34	Dividend income (from investments under equity only)	\$ x x x x	x x x x	x x x x
35	Undistributed earnings (losses)	x x x x	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	467	456	
38	Total income (lines 22, 37)	921	341	
	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	330	
42	(544) Miscellaneous tax accruals (p. 53)	1		
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)	
\$	\$	\$	\$	\$	\$	\$	
		49,220					1
		39,447					2
x x x x x	x x x x x	9,773	x x x x x	x x x x x			3
		4,040					4
		(220)					5
x x x x x	x x x x x	5,953	x x x x x	x x x x x			6
							7
		28					8
							9
							10
		87					11
x x x x x	x x x x x	115	x x x x x	x x x x x			12
							13
		4,378					14
		350					15
							16
		23					17
		863					18
x x x x x	x x x x x	5,614	x x x x x	x x x x x			19
x x x x x	x x x x x	(5,499)	x x x x x	x x x x x			20
x x x x x	x x x x x	454	x x x x x	x x x x x			21
							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)	148	152	
47	Total miscellaneous deductions	473	482	
48	Income available for fixed charges (lines 38, 47)	448	(141)	
Fixed Charges				
49	(542) Rent for leased roads and equipment (p. 92)	69	71	
	(546) Interest on funded debt:			
50	(a) Fixed interest not in default	29	47	
51	(b) Interest in default			
52	(547) Interest on unfunded debt			
53	(548) Amortization of discount on funded debt			
54	Total fixed charges	98	118	
55	Income after fixed charges (lines 48, 54)	350	(259)	
Other Deductions				
	(546) Interest on funded debt:			
56	(c) Contingent interest			
57	(555) Unusual or infrequent items-Net-(Debit) credit*			
58	Income (loss) from continuing operations (lines 55-57)	350	(259)	
DISCONTINUED OPERATIONS				
59	(560) Income (loss) from operations of discontinued segments*			
60	(562) Gain (loss) on disposal of discontinued segments*			
61	Total income (loss) from discontinued operations (lines 59, 60)			
62	Income (loss) before extraordinary items (lines 58, 61)	350	(259)	
EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES				
63	(570) Extraordinary items-Net-(Debit) credit (p. 94)			
64	(590) Income taxes on extraordinary items-Debit (credit) (p. 94)			
65	(591) Provision for deferred taxes-Extraordinary items (p. 87)			
66	Total extraordinary items (lines 63-65)			
67	(592) Cumulative effect of changes in accounting principles*			
68	Total extraordinary items and accounting changes-(Debit) credit-(lines 66, 67)			
69	Net income (loss) transferred to Retained Income-Unappropriated (lines 62, 68)	350	(259)	

* Less applicable income taxes of:

555 Unusual or infrequent items-Net-(Debit) credit	\$
560 Income (loss) from operations of discontinued segments	
565 Gain (loss) on disposal of discontinued segments	
592 Cumulative effect of changes in accounting principles	

NOTE.—See page 19 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 un-

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

5. Line 3 (line 7 if debit balance), column (c), should agree with line 35, column (b), schedule 300. The total of columns (b) and (c), lines 3 and 7, 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)	Retained income- Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balances at beginning of year	\$ 49,311	\$ *
2	(601.5) Prior period adjustments to beginning retained income		
	CREDITS		
3	(602) Credit balance transferred from income	350	
4	(606) Other credits to retained income		
5	(622) Appropriations released		
6	Total	350	
	DEBITS		
7	(612) Debit balance transferred from income		
8	(616) Other debits to retained income		
9	(620) Appropriations for sinking and other reserve funds		
10	(621) Appropriations for other purposes		
11	(623) Dividends (p. 20)	300	
12	Total	300	
13	Net increase (decrease) during year (Line 5 minus line 11)	50	
14	Balances at close of year (Lines 1 and 13)	49,361	
15	Balance from line 14 (c)		x x x x x
16	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year	49,361	x x x x x
	Remarks		
	Amount of assigned Federal income tax consequences:		
17	Account 606		x x x x x
18	Account 616		x x x x x

*Refer to Consolidated Schedule, Page 20

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.

4. Report dollars in thousands.

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	8-22-75	4-01-76
2	" "	"		2,000	30	6-02-76	7-01-76
3	" "	"		2,000	30	6-02-76	10-01-76
4	" "	"		2,000	30	6-02-76	1-01-77
5	Prior Pref. Stock	"		3,000	45	8-22-75	4-01-76
6	" "	"		3,000	45	6-02-76	7-01-76
7	" "	"		3,000	45	6-02-76	10-01-76
8	" "	"		3,000	45	6-02-76	1-01-77
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 footnote.

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			<u>Investments In Affiliated Companies</u>	%	\$	\$
1							
2							
3				<u>Capital Stock</u>			
4							
5	A-1	VII		The Kansas City Southern Railway Co.			
6				Preferred	1.5		256
7				Common	3		2,190
8				Louisiana, Arkansas & Texas			
9				Transportation Company	100		10
10				Landa Motor Lines	100		20
11				The Pullman Company (Negligible)			5
12							
13				Total Class A-1			2,481
14							
15	A-3	VI		Tolmak, Inc.	100		1,239
16		X		Kansas City Southern Industries, Inc.			
17				Preferred Stock 4% - Non-Cumulative	3		1,038
18							
19				Total Class A-3			2,277
20							
21				Total Class A			4,758
22							
23				<u>Investment Advances</u>			
24							
25	E-1	VII		Landa Motor Lines	100		194
26		VII		Louisiana, Arkansas & Texas			
27				Transportation Company	100		600
28							
29				Total Class E-1			794
30							
31	E-3	VI		Tolmak, Inc.	100		3,910
32							
33				Total Class E			4,704
34							
35				Total Account 721			9,462
36							
37							
38							
39							
40							
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 (h) 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)	(j)	(k)	(l)	(m)	(n)	
\$	\$	\$	\$	\$	%	\$	
							1
							2
							3
							4
	256						5
	2,190						6
							7
	10						8
	20						9
	5						10
							11
	2,481						12
							13
	1,239						14
							15
	1,038				\$1.00 Sh	48	16
							17
	2,277					48	18
							19
	4,758					48	20
							21
							22
							23
							24
	194						25
							26
	600						27
							28
	794						29
							30
	3,910		235	235			31
							32
	4,704		235	235			33
							34
							35
	9,462		235	235		48	36
							37
							38
							39
							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	
					Pledged	Unpledged
(a)	(b)	(c)	(d)		(e)	(f)
1	715			<u>Sinking Funds</u>	\$	\$
2						
3				None		
4						
5						
6	716			<u>Capital And Other Reserve Funds</u>		
7						
8				None		
9						
10						
11	717			<u>Insurance And Other Funds</u>		
12						
13				None		
14						
15						
16	722			<u>Other Investments</u>		
17						
18	A-3	X		Greater Springhill Corporation		10 Shares
19						
20				Club Memberships		1
21						
22				Total Account 722		1
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
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43						
44						
45						
46						

206. OTHER INVESTMENTS—Continued

tion mature serially, the date in column (c) 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)				%	\$	
\$	\$	\$	\$	\$			1
							2
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
							16
	1						17
							18
	1						19
							20
	2						21
							22
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							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 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.

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) effected.

Line No.	(Dollars in thousands) 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	589	621	.80			
2	(2-1/2) Other right-of-way expenditures	53	55	2.00			
3	(3) Grading	131	131				
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	4,164	4,537	2.40			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	195	214	2.44			
8	(16) Station and office buildings	3,172	3,161	2.00			
9	(17) Roadway buildings	40	39	2.50			
10	(18) Water stations	46	46	2.86			
11	(19) Fuel stations	86	86	2.66			
12	(20) Shops and enginehouses	1,135	1,133	2.22			
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	4.00			
18	(26) Communications systems	761	746	4.13			
19	(27) Signals and interlockers	790	866	2.69			
20	(29) Power plants	23	23	1.25			
21	(31) Power transmission systems	343	343	3.17			
22	(35) Miscellaneous structures	48	48	3.03			
23	(37) Roadway machines	289	289				
24	(39) Public improvements—Construction	521	567	3.72			
25	(44) Shop machinery	111	111	4.36			
26	(45) Power plant machinery	33	33	3.43			
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	12,819	13,338	2.48			
	EQUIPMENT						
30	(52) Locomotives	3,461	3,461	4.27			
31	(53) Freight-train cars	19,156	16,186	4.62			
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	280	280	9.00			
36	(58) Miscellaneous equipment	10	10	15.83			
37	Total equipment	22,907	19,937	4.62			
38	GRAND TOTAL	35,726	33,275	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	63	5		1		67
2	(2-1/2) Other right-of-way expenditures	29	1				30
3	(3) Grading	131					131
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	2,407	102		14		2,495
6	(7) Elevated structures						
7	(13) Fences, snow sheds, and signs	195	1				196
8	(16) Station and office buildings	375	63		23		415
9	(17) Roadway buildings	7	1		1		7
10	(18) Water stations	11	1				12
11	(19) Fuel stations	22	2				24
12	(20) Shops and enginehouses	175	25		2		198
13	(21) Grain elevators						
14	(22) Storage warehouses						
15	(23) Wharves and docks						
16	(24) Coal and ore wharves						
17	(25) TOFC/COFC terminals	83	11				94
18	(26) Communication systems	62	32		16		78
19	(27) Signals and interlockers	476	22		3		495
20	(29) Power plants	(5)	1				(4)
21	(31) Power-transmission systems	79	11				90
22	(35) Miscellaneous structures	10	2				12
23	(37) Roadway machines	279					279
24	(39) Public improvements—Construction	341	20				361
25	(44) Shop machinery*	46	5				51
26	(45) Power-plant machinery*	11	1				12
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	4,797	306		60		5,043
	EQUIPMENT						
30	(52) Locomotives	2,532	148				2,680
31	(53) Freight-train cars	2,599	830		2,504		925
32	(54) Passenger-train cars						
33	(55) Highway revenue equipment						
34	(56) Floating equipment						
35	(57) Work equipment	165	25				190
36	(58) Miscellaneous equipment	4	2				6
37	Total equipment	5,300	1,005		2,504		3,801
38	GRAND TOTAL	10,097	1,311		2,564		8,844

*Chargeable to account 305.

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	Minor Items, each								
3	less than \$100,000				15				15
4									
5									
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				3				3
29	TOTAL EQUIPMENT				3				3
30	GRAND TOTAL				18				18

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	For detail of Schedule 218, Funded Debt, refer to Page 56, Line 47.												
2													
3													
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49													
50													
51	Grand Total									x x x	x x x	x x x	x x x

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)

PREFERRED STOCK

Line No.	Class of stock (a)	Date issue was authorized (b)	Par value per share (if non-par, so state) (c)	Cumulative				Noncumulative ("Yes" or "No") (h)	Other Provisions of Contract			
				Dividend rate specified in contract (d)	Total amount of accumulated dividends (e)	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)	Fixed amount or percent (Specify) (k)	Fixed ratio with common (Specify) (l)
1	Common	8-27-36	\$ Non-Par									
2												
3												
4												
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				None							

PAR VALUE OF PAR-VALUE STOCK OR NUMBER OF SHARES OF NONPAR STOCK

Line No.	Authorized (m)	Authenticated (n)	Nominally Issued and		Actually issued (q)	Reacquired and		Number of shares (t)	STOCK ACTUALLY OUTSTANDING AT CLOSE OF YEAR		
			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)		Par value of stock (u)	Fixed amount or percent (Specify) (v)	Book value of stock without par value (v)
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								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 Company2. 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	<u>T. S. Carter</u> <u>Kansas City, Missouri</u>
2	Vice president	<u>M. F. McClain</u> <u>Kansas City, Missouri</u>
3	Secretary	<u>G. E. Kellogg</u> <u>Kansas City, Missouri</u>
4	Treasurer	<u>V. C. Pragman</u> <u>Kansas City, Missouri</u>
5	Auditor	<u>T. A. Giltner</u> <u>Kansas City, Missouri</u>
6	General Counsel	<u>R. E. Zimmerman</u> <u>Kansas City, Missouri</u>
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	<u>W. N. Deramus III</u>	<u>Kansas City, Missouri</u>	<u>May 17, 1977</u>
15	<u>T. S. Carter</u>	<u>Kansas City, Missouri</u>	<u>"</u>
16	<u>J. E. Gregg</u>	<u>Kansas City, Missouri</u>	<u>"</u>
17	<u>G. E. Kellogg</u>	<u>Kansas City, Missouri</u>	<u>"</u>
18	<u>T. A. Giltner</u>	<u>Kansas City, Missouri</u>	<u>"</u>
19	<u>M. F. McClain</u>	<u>Kansas City, Missouri</u>	<u>"</u>
20	<u>V. C. Pragman</u>	<u>Kansas City, Missouri</u>	<u>"</u>
21	<u>G. D. Dollins</u>	<u>Kansas City, Missouri</u>	<u>"</u>
22	<u>R. E. Zimmerman</u>	<u>Kansas City, Missouri</u>	<u>"</u>
23			

7. Give the date of incorporation of the respondent May 13, 1904 8. State the character of motive power used9. Class of switching and terminal company Class II, Railroad10. 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 (Continued on Page 190)

* 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.

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.

IN DOLLARS

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT ASSETS			
1	(701) Cash	207	932
2	(702) Temporary cash investments		
3	(703) Special deposits (p. 10B)		
4	(704) Loans and notes receivable		
5	(705) Traffic, car service and other balances—Dr.		
6	(706) Net balance receivable from agents and conductors	11,656	11,585
7	(707) Miscellaneous accounts receivable	420	812
8	(708) Interest and dividends receivable		
9	(709) Accrued accounts receivable	2,721	1,139
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	15,004	14,468
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	452,875	452,360
26	Equipment		
27	General expenditures	17,024	17,729
28	Other elements of investment		
29	Construction work in progress	21,861	26,705
30	Total (p. 13)	491,760	496,794
31	(732) Improvements on leased property—Road		
32	Equipment		
33	General expenditures		
34	Total (p. 12)		
35	Total transportation property (accounts 731 and 732)	491,760	496,794
36	(733) Accrued depreciation—Improvements on leased property		
37	(735) Accrued depreciation—Road and equipment (pp. 21 and 22)	(41,085)	(55,304)
38	(736) Amortization of defense projects—Road and Equipment (p. 24)		
39	Recorded depreciation and amortization (accounts 733, 735 and 736)	(41,085)	(55,304)
40	Total transportation property less recorded depreciation and amortization (line 35 less line 39)	450,675	441,490
41	(737) Miscellaneous physical property	1,203	70
42	(728) Accrued depreciation—Miscellaneous physical property (p. 25)	(1,133)	
43	Miscellaneous physical property less recorded depreciation (account 737 less 738)	70	70
44	Total properties less recorded depreciation and amortization (line 40 plus line 43)	450,745	441,560

Note.—See page 6 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued

IN DOLLARS

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
	OTHER ASSETS AND DEFERRED CHARGES	\$	\$
45	(741) Other assets		
46	(742) Unamortized discount on long-term debt		
47	(743) Other deferred charges (p. 26)		
48	(744) Accumulated deferred income tax charges (p. 10A)		
49	Total other assets and deferred charges	465,749	456,028
50	TOTAL ASSETS		

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.

IN DOLLARS

Line No.	Account or Item	Balance at close of year (b)	Balance at beginning of year (c)
(a)			
CURRENT LIABILITIES			
51	(751) Loans and notes payable (p. 26)		
52	(752) Traffic car service and other balances—Cr.	2,651	427
53	(753) Audited accounts and wages payable	533,455	355,960
54	(754) Miscellaneous accounts payable	125	125
55	(755) Interest matured unpaid		
56	(756) Dividends matured unpaid		
57	(757) Unmatured interest accrued		
58	(758) Unmatured dividends declared		
59	(759) Accrued accounts payable		
60	(760) Federal income taxes accrued	870	870
61	(761) Other taxes accrued	3,483	3,430
62	(762) Deferred income tax credits (p. 10A)		
63	(763) Other current liabilities	(12,332)	10,434
64	Total current liabilities (exclusive of long-term debt due within one year)	528,252	371,246
LONG-TERM DEBT DUE WITHIN ONE YEAR			
	(a1) Total issued (a2) Held by or for respondent		
65	(764) Equipment obligations and other debt (pp. 11 and 14)		
LONG-TERM DEBT DUE AFTER ONE YEAR			
	(a1) Total issued (a2) Held by or for respondent		
66	(765) Funded debt unmatured (p. 11)		
67	(766) Equipment obligations (p. 14)		
68	(767) Receivers' and Trustees' securities (p. 11)		
69	(768) Debt in default (p. 25)		
70	(769) Amounts payable to affiliated companies (p. 14)	1,064,660	1,064,660
71	Total long-term debt due after one year	1,064,660	1,064,660
RESERVES			
72	(771) Pension and welfare reserves		
73	(774) Casualty and other reserves		8,750
74	Total reserves		8,750
OTHER LIABILITIES AND DEFERRED CREDITS			
75	(781) Interest in default		
76	(782) Other liabilities	13,740	4,750
77	(783) Unamortized premium on long-term debt		
78	(784) Other deferred credits (p. 26)	1,491	10,250
79	(785) Accrued liability—Leased property (p. 23)		
80	(786) Accumulated deferred income tax credits (p. 10A)		
81	Total other liabilities and deferred credits	15,231	15,000
SHAREHOLDERS' EQUITY			
	Capital stock (Par or stated value)	(a1) Total issued (a2) Minimally issued securities	
82	(791) Capital stock issued: Common stock (p. 11)	650,000	650,000
83	Preferred stock (p. 11)		
84	Total	650,000	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)	4,262,129	4,262,129
90	(796) Other capital surplus (p. 25)		
91	Total capital surplus	4,262,129	4,262,129

Continued on page 5A

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—Continued

IN DOLLARS

Retained income			
92	(797) Retained income—Appropriated (p. 25) —	(6,054,523)	(5,915,757)
93	(798) Retained income—Unappropriated (p. 10) —	(6,054,523)	(5,915,757)
94	Total retained income —		
TREASURY STOCK			
95	(798.5) Less—Treasury stock —	(1,142,394)	(1,003,628)
96	Total shareholders' equity —	465,749	456,028
97	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY —		

Note.—See page 6 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. 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.

IN DOLLARS

Line No.	Item (a)	Amount for current year (b)
	ORDINARY ITEMS	\$
	OPERATING INCOME	
	RAILWAY OPERATING INCOME	
1	(501) Railway operating revenues (p. 27)	287,567
2	(531) Railway operating expenses (p. 28)	337,927
3	Net revenue from railway operations	(50,360)
4	(532) Railway tax accruals	35,509
5	(533) Provision for deferred taxes	(85,869)
6	Railway operating income	
	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	54,904
15	(537) Rent for locomotives	1,110
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	56,014
21	Net rents (line 13 less line 20)	(56,014)
22	Net railway operating income (lines 6,21)	(141,883)
	OTHER INCOME	
23	(502) Revenues from miscellaneous operations (p. 28)	
24	(509) Income from lease of road and equipment (p. 31)	3,142
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)	
33	(519) Miscellaneous income (p. 29)	(-1) 55
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	3,197
38	Total income (lines 22,37)	(138,686)
	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	12
43	(545) Separately operated properties—Loss	

THE ARKANSAS WESTERN RAILWAY COMPANY

Road Initials

AW

Year 1976

300. INCOME ACCOUNT FOR THE YEAR—Continued

IN DOLLARS

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)	68
47	Total miscellaneous deductions	80
48	Income available for fixed charges (lines 38, 47)	(138,766)
	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	
55	Income after fixed charges (lines 48, 54)	(138,766)
	OTHER DEDUCTIONS	
	(546) Interest on funded debt:	
56	(c) Contingent interest	
57	(555) Unusual or infrequent items-Net-(Debit) credit*	
58	Income (loss) from continuing operations (lines 55-57)	(138,766)
	DISCONTINUED OPERATIONS	
59	(560) Income (loss) from operations of discontinued segments*	
60	(562) Gain (loss) on disposal of discontinued segments*	
61	Total income (loss) from discontinued operations (lines 59, 60)	
62	Income (loss) before extraordinary items (lines 58, 61)	(138,766)
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES	
63	(570) Extraordinary items-Net-(Debit) credit (p. 9)	
64	(590) Income taxes on extraordinary items-Debit (credit) (p. 9)	
65	(591) Provision for deferred taxes-Extraordinary items	
66	Total extraordinary items (lines 63-65)	
67	(592) Cumulative effect of changes in accounting principles*	
68	Total extraordinary items and accounting changes-(Debit) credit (lines 66, 67)	
69	Net income (loss) transferred to Retained Income—Unappropriated (lines 62, 68)	(138,766)

* Less applicable income taxes of:

\$

555	Unusual or infrequent items-Net-(Debit) (credit)	
560	Income (loss) from operations of discontinued segments	
562	Gain (loss) on disposal of discontinued segments	
592	Cumulative effect of changes in accounting principles	

NOTE.—See page 9 for explanatory notes which are an integral part of the Income Account for the Year.

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		
					Second (e)	First (f)	
(a)	(b)	(c)	(d)	(e)	(f)	(g)	
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	J. E. Gregg	Kansas City, Missouri	1	1	"	"	"
6	G. D. Dollins	Kansas City, Missouri	1	1	"	"	"
7	T. A. Giltner	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	M. F. McClain	Kansas City, Missouri	1	1	"	"	"
12							
13							
14							
15							
16							
17							
18							
19							
20	(Continued from Page 183.)						
21							
22	of a railroad from Heavener, Oklahoma to Waldron, Arkansas and it was thought						
23	advisable that a new company should be organized under a charter which would						
24	permit the acquisition of the constructed line from Heavener, Oklahoma to						
25	Waldron, Arkansas and of the extension of the line to Hot Springs, Arkansas.						
26	Accordingly The Arkansas Western Railway Company was organized May 13, 1904 and						
27	the Company purchased all the property and franchises of The Arkansas Western						
28	Railroad Company. All the affairs of The Arkansas Western Railroad Company						
29	were liquidated.						
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.

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 3 (line 7 if debit balance), column (c), should agree with line 35, column (b), schedule 300. The total of columns (b) and (c), lines 3 and 7, 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).

IN DOLLARS

Line No.	Item (a)	Retained income— Unappropriated (b)	Equity in undistri- buted earnings (losses) of affili- ated companies (c)
1	Balances at beginning of year _____	\$ 5,915,757	\$
2	(601.5) Prior period adjustments to beginning retained income _____		
	CREDITS		
3	(602) Credit balance transferred from income _____		
4	(606) Other credits to retained income† _____		
5	(622) Appropriations released _____		
6	Total _____		
	DEBITS		
7	(612) Debit balance transferred from income _____	138,766	
8	(616) Other debits to retained income _____		
9	(620) Appropriations for sinking and other reserve funds _____		
10	(621) Appropriations for other purposes _____		
11	(623) Dividends _____		
12	Total _____	138,766	
13	Net increase (decrease) during year (Line 6 minus line 12) _____	(138,766)	
14	Balances at close of year (Lines 1, 2 and 13) _____		
15	Balance from line 14 (c) _____		XXXXXX
16	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year _____	(6,054,523)	XXXXXX
	Remarks		
	Amount of assigned Federal income tax consequences:		
17	Account 606 _____		XXXXXX
18	Account 616 _____		XXXXXX

†Show principal items in detail.

670. FUNDED DEBT UNMATURED

Give particulars of the various issues of securities in accounts Nos. 764, "Equipment 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 issuer. All securities actually issued and not reacquired by or for the respondent with the instructions in the Uniform System of Accounts for Railroad Companies. Show 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	Nominal date of issue	Interest provisions		Total amount nominally and actually issued	Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")	Total amount actually issued	Required and held by or for respondent (Identify pledged securities by symbol "P")	Actually outstanding at close of year	Interest during year	
			Rate per annum	Dates due						Accrued	Actually paid
	(a)	(b)	(d)	(c)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1											
2											
3											
4											
5	Funded debt canceled: Nominally issued, \$ _____ Actually issued, \$ _____										
6	Purpose for which issue was authorized: _____										
					Total—						None

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	Date issue was authorized†	Par value per share	Authorized	Authenticated	Par value of par value or shares of nonpar stock		Total amount actually issued	Reacquired and held by or for respondent (Identify pledged securities by symbol "P")	Par value of par value stock	Actually outstanding at close of year	
						Nominally issued and held by or for respondent (Identify pledged securities by symbol "P")	and held by or for respondent (Identify pledged securities by symbol "P")				Shares Without Par Value	Book value
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	Common	5-11 1904	\$ 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, \$ _____ Actually issued, \$ _____											
6	A count of receipts outstanding at the close of the year for installments received on subscriptions for stocks _____											
7	Purpose for which issue was authorized: _____											
8	The total number of stockholders at the close of the year was _____											
						None		None				None

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	Nominal date of issue	Date of maturity	Interest provisions		Total par value authorized +	Total par value held by or for respondent at close of year		Total par value actually outstanding at close of year	Interest during year	
				Rate per annum	Dates due		Nominally issued	Nominally outstanding		Accrued	Actually paid
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1											
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 (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 No. 542.

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.

IN DOLLARS

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	15,977	15,312	60			
2	(2 1/2) Other right-of-way expenditures						
3	(3) Grading	67,367	67,238	12			
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	48,806	54,921	3 10			
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	7,815	7,200				
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	48				
24	(39) Public improvements—Construction	1,826	1,798				
25	(44) Shop machinery						
26	(45) Power-plant machinery						
27	All other road accounts						
28	Amortization (other than defense projects)						
29	Total road	149,965	154,643	1 30			
	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	149,965	154,643	1 30			

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.

IN DOLLARS

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	64	96			(26)	186
2	(2 1/2) Other right-of-way expenditures	17					17
3	(3) Grading	(18,580)	81			66	(18,565)
4	(5) Tunnels and subways						
5	(6) Bridges, trestles, and culverts	36,381	1,562				37,943
6	(7) Elevated structures						
7	(13) Fences, snowsheds, and signs	7,815					7,815
8	(16) Station and office buildings	4,067	138				4,205
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	23,543				16,056	7,487
28	Amortization (other than defense projects)	55,304	1,877			16,096	41,085
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	55,304	1,877			16,096	41,085

*Chargeable to account 2223.

*Ceased accruing depreciation per letter of Mr. M. Palo, Director, ICC dated April 30, 1970, File ACV-MEB.

134500

ANNUAL REPORT 1976 CLASS 1 R.R. 4 of 4
KANSAS CITY SOUTHERN RY. CO.

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 Company
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 23, 1977
15	T. S. Carter, J. E. Gregg	"	"
16	G. E. Kellogg, M. F. McClain	"	"
17	R. P. Bruening	"	"
18	T. A. Giltner	"	"
19	M. C. Lincoln	"	"
20	L. J. Tamisiea	"	"
21	R. E. Zimmerman	"	"
22	V. C. Pragman	"	"
23	G. D. Dollins	"	"

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 III, 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 corporation. 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 (Continued on Page 203)

* 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.

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.

IN DOLLARS

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT ASSETS		\$	\$
1	(701) Cash	(1,020)	40
2	(702) Temporary cash investments		
3	(703) Special deposits (p. 10B)		
4	(704) Loans and notes receivable		
5	(705) Traffic, car service and other balances—Dr.		
6	(706) Net balance receivable from agents and conductors		465
7	(707) Miscellaneous accounts receivable		
8	(708) Interest and dividends receivable		
9	(709) Accrued accounts receivable	15,360	15,815
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	14,340	16,320
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	421,315	411,939
26	Equipment		
27	General expenditures	4,578	4,596
28	Other elements of investment		
29	Construction work in progress		
30	Total (p. 13)	425,893	416,535
31	(732) Improvements on leased property: Road		
32	Equipment		
33	General expenditures		
34	Total (p. 12)		
35	Total transportation property (accounts 731 and 732)	425,893	416,535
36	(733) Accrued depreciation—Improvements on leased property		
37	(735) Accrued depreciation—Road and equipment (pp. 21 and 22)	(31,086)	(29,115)
38	(736) Amortization of defense projects—Road and Equipment (p. 24)		
39	Recorded depreciation and amortization (accounts 733, 735 and 736)	(31,086)	(29,115)
40	Total transportation property less recorded depreciation and amortization (line 35 less line 39)	394,807	387,420
41	(737) Miscellaneous physical property	97,288	97,288
42	(728) Accrued depreciation - Miscellaneous physical property (p. 25)		
43	Miscellaneous physical property less recorded depreciation (account 737 less 738)	97,288	97,288
44	Total properties less recorded depreciation and amortization (line 40 plus line 43)	492,095	484,708

Note.—See page 6 for explanatory notes, which are an integral part of the Comparative General Balance Sheet.

200. COMPARATIVE GENERAL BALANCE SHEET—ASSETS—Continued

IN DOLLARS

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
	OTHER ASSETS AND DEFERRED CHARGES	\$	\$
45	(741) Other assets		
46	(742) Unamortized discount on long-term debt		
47	(743) Other deferred charges (p. 26)		
48	(744) Accumulated deferred income tax charges (p. 10A)		
49	Total other assets and deferred charges	506,435	501,028
50	TOTAL ASSETS		

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.

IN DOLLARS

Line No.	Account or item (a)	Balance at close of year (b)	Balance at beginning of year (c)
CURRENT LIABILITIES			
51	(751) Loans and notes payable (p. 26)		
52	(752) Traffic car service and other balances—Cr.		
53	(753) Audited accounts and wages payable	212,649	130,841
54	(754) Miscellaneous accounts payable	11	11
55	(755) Interest matured unpaid		
56	(756) Dividends matured unpaid		
57	(757) Unmatured interest accrued		
58	(758) Unmatured dividends declared		
59	(759) Accrued accounts payable		
60	(760) Federal income taxes accrued		
61	(761) Other taxes accrued	2,409	2,400
62	(762) Deferred income tax credits (p. 10A)		
63	(763) Other current liabilities		
64	Total current liabilities (exclusive of long-term debt due within one year)	215,069	133,252
LONG-TERM DEBT DUE WITHIN ONE YEAR			
	(a1) Total issued (a2) Held by or for respondent		
65	(764) Equipment obligations and other debt (pp. 11 and 14)		
LONG-TERM DEBT DUE AFTER ONE YEAR			
	(a1) Total issued (a2) Held by or for respondent		
66	(765) Funded debt unmatured (p. 11)		
67	(766) Equipment obligations (p. 14)		
68	(767) Receivers' and Trustees' securities (p. 11)		
69	(768) Debt in default (p. 26)		
70	(769) Amounts payable to affiliated companies (p. 14)	101,000	101,000
71	Total long-term debt due after one year	101,000	101,000
RESERVES			
72	(771) Pension and welfare reserves		
73	(774) Casualty and other reserves		
74	Total reserves		
OTHER LIABILITIES AND DEFERRED CREDITS			
75	(781) Interest in default		
76	(782) Other liabilities	12,279	
77	(783) Unamortized premium on long-term debt		
78	(784) Other deferred credits (p. 26)	1	11,450
79	(785) Accrued liability—Leased property (p. 23)		
80	(786) Accumulated deferred income tax credits (p. 10A)		
81	Total other liabilities and deferred credits	12,280	11,450
SHAREHOLDERS' EQUITY			
	Capital stock (Par or stated value)	(a1) Total issued (a2) Nominally issued securities	
82	(791) Capital stock issued: Common stock (p. 11)	12,000	12,000
83	Preferred stock (p. 11)		
84	Total	12,000	12,000
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)	286,058	286,058
90	(796) Other capital surplus (p. 25)		
91	Total capital surplus	286,058	286,058

Continued on page 5A

200. COMPARATIVE GENERAL BALANCE SHEET—LIABILITIES AND SHAREHOLDERS' EQUITY—Continued

IN DOLLARS

Retained income			
92	(797) Retained income—Appropriated (p. 25)	(119,972)	(42,732)
93	(798) Retained income—Unappropriated (p. 10)	(119,972)	(42,732)
94	Total retained income		
TREASURY STOCK			
95	(798.5) Less—Treasury stock	178,086	255,326
96	Total shareholders' equity	506,435	501,028
97	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		

Note.—See page 6 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. 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.

IN DOLLARS

Line No.	Item (a)	Amount for current year (b)
	ORDINARY ITEMS	
	OPERATING INCOME	
	RAILWAY OPERATING INCOME	
1	(501) Railway operating revenues (p. 27)	41,818
2	(531) Railway operating expenses (p. 28)	101,801
3	Net revenue from railway operations	(59,983)
4	(532) Railway tax accruals	14,427
5	(533) Provision for deferred taxes	(74,410)
6	Railway operating income	
	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	4,069
15	(537) Rent for locomotives	276
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	4,345
21	Net rents (line 13 less line 20)	(4,345)
22	Net railway operating income (lines 6,21)	(78,755)
	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)	905
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)	
33	(519) Miscellaneous income (p. 29)	(a1) 610
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	1,515
38	Total income (lines 22,37)	(77,240)
	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

IN DOLLARS

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	(77,240)
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	(77,240)
55	Income after fixed charges (lines 48, 54)	
	OTHER DEDUCTIONS	
	(546) Interest on funded debt:	
56	(c) Contingent interest	
57	(555) Unusual or infrequent items-Net-(Debit) credit*	(77,240)
58	Income (loss) from continuing operations (lines 55-57)	
	DISCONTINUED OPERATIONS	
59	(560) Income (loss) from operations of discontinued segments*	
60	(562) Gain (loss) on disposal of discontinued segments*	
61	Total income (loss) from discontinued operations (lines 59, 60)	(77,240)
62	Income (loss) before extraordinary items (lines 58, 61)	
	EXTRAORDINARY ITEMS AND ACCOUNTING CHANGES	
63	(570) Extraordinary items-Net-(Debit) credit (p. 9)	
64	(590) Income taxes on extraordinary items-Debit (credit) (p. 9)	
65	(591) Provision for deferred taxes-Extraordinary items	
66	Total extraordinary items (lines 63-65)	
67	(592) Cumulative effect of changes in accounting principles*	
68	Total extraordinary items and accounting changes-(Debit) credit (lines 66, 67)	(77,240)
69	Net income (loss) transferred to Retained Income—Unappropriated (lines 62, 68)	

* Less applicable income taxes of:

\$

555 Unusual or infrequent items-Net-(Debit) (credit)

560 Income (loss) from operations of discontinued segments

562 Gain (loss) on disposal of discontinued segments

592 Cumulative effect of changes in accounting principles

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 3 (line 7 if debit balance), column (c), should agree with line 35, column (b), schedule 300. The total of columns (b) and (c), lines 3 and 7, 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).

IN DOLLARS			
Line No.	Item (a)	Retained income— Unappropriated (b)	Equity in undistributed earnings (losses) of affiliated companies (c)
1	Balances at beginning of year _____	(\$ 42,732)	\$
2	(601.5) Prior period adjustments to beginning retained income _____		
CREDITS			
3	(602) Credit balance transferred from income _____		
4	(606) Other credits to retained income† _____		
5	(622) Appropriations released _____		
6	Total _____		
DEBITS			
7	(612) Debit balance transferred from income _____	77,240	
8	(616) Other debits to retained income _____		
9	(620) Appropriations for sinking and other reserve funds _____		
10	(621) Appropriations for other purposes _____		
11	(623) Dividends _____		
12	Total _____	77,240	
13	Net increase (decrease) during year (Line 6 minus line 12) _____	(77,240)	
14	Balances at close of year (Lines 1, 2 and 13) _____		
15	Balance from line 14 (c) _____		XXXXXX
16	Total unappropriated retained income and equity in undistributed earnings (losses) of affiliated companies at end of year _____	(119,972)	XXXXXX
Remarks			
Amount of assigned Federal income tax consequences:			
17	Account 605 _____		XXXXXX
18	Account 616 _____		XXXXXX

†Show principal items in detail.

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)	Second (e)	First (f)	
1	The Kansas City						
2	Southern Railway Co.	Kansas City, Missouri	108	108	None	None	None
3							
4	W. N. Deramus III	"	1	1	"	"	"
5	T. S. Carter	"	1	1	"	"	"
6	R. P. Bruening	"	1	1	"	"	"
7	T. A. Giltner	"	1	1	"	"	"
8	G. E. Kellogg	"	1	1	"	"	"
9	M. C. Lincoln	"	1	1	"	"	"
10	L. J. Tamislea	"	1	1	"	"	"
11	M. F. McClain	"	1	1	"	"	"
12	V. C. Pragman	"	1	1	"	"	"
13	R. E. Zimmerman	"	1	1	"	"	"
14	G. D. Dollins	"	1	1	"	"	"
15	J. E. Gregg	"	1	1	"	"	"
16							
17							
18							
19							
20							
21							
22							
23	Schedule 101, Item 12	(Continued from Page 195)					
24							
25	its capital stock, as of that date respondent acquired and commenced the						
26	direct operation of railroad formerly owned and operated by the Fort Smith						
27	and Western Railway between Coal Creek and McCurtain, Oklahoma.						
28							
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.

670. FUNDED DEBT UNMATURED

Intermediate Commerce Act makes it unlawful for a carrier to issue 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.

[illegible]

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 footnote. For definition of securities *actually issued* and *actually outstanding* see 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 or 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		12,000		\$
3											
4											
5	Par value of par value or book value of nonpar stock cancelled: 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 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	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)
	(a)										
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.

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 column (b) and (c), for each primary account, the depreciation base used in computing the depreciation charges for the month of January and in column (c) and (f) show the depreciation base used in computing the depreciation charges for the month of December, in column (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 No. 542.

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.

IN DOLLARS

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	5,087	5,272	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	43,111	43,111	4 24			
5	(6) Bridges, trestles, and culverts						
6	(7) Elevated structures	2,690	2,690				
7	(13) Fences, snowsheds, and signs	477	477				
8	(16) Station and office buildings						
9	(17) Roadway buildings						
10	(18) Water stations						
11	(19) Fuel stations	89	89				
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	149	149				
18	(26) Communication systems						
19	(27) Signals and interlockers						
20	(29) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures	46	46				
23	(37) Roadway machines	4,092	4,092	1 60			
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)	95,491	95,676	1 65			
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	95,491	95,676	1 65			
38	Grand Total						

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.

IN DOLLARS

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	(4,149)	21		9		(4,137)
2	(2 1/2) Other right-of-way expenditures	485	19				504
3	(3) Grading	(21,425)	47				(21,378)
4	(5) Tunnels and subways	39,454	1,828				41,282
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	(29) Power plants						
21	(31) Power-transmission systems						
22	(35) Miscellaneous structures	382					382
23	(37) Roadway machines	1,898	65				1,963
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)						
29	Total road	29,115	1,980		9		31,086
	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	29,115	1,980		9		31,086
38	Grand total						

*Chargeable to account 1223.