fixed charges. For instance, in the report relative to the stock of the Atchison, Topeka & Santa Fe Railway Co. referred to above, a statement appears as follows:—

"Preferred stock of the Atchison, Topeka & Santa Fe Ry. Co. is outstanding to the amount of $114,173,730, or at a total average rate of $11,031 per mile of road operated. The surplus with which to pay dividends thereon amounts to 19.5 per cent of the gross earnings, comparing with an allowable figure of about 17 per cent. For the fiscal year ending June 30, 1911, the total income available for dividends on the Preferred stock, after the payment of all fixed charges, etc., amounted to about $2,065 per mile and the full dividends on the Preferred stock require about $551 per mile. Therefore, about $18.72 per share was earned with which to pay full Preferred dividends of $5 per share, leaving a margin of about $13.72 per share. This company is considered in the class where such a margin over and above the Preferred dividends is satisfactory. The increase in net earnings for the year ending June 30, 1911, compared with the previous year, caused this amount earned on the Preferred to change from $17.89 to $18.72.

"The Common stock of the Atchison, Topeka & Santa Fe Ry. Co. was outstanding to the amount of $168,430,500 or a total average of about $16,273 per mile of road operated. The surplus with which to pay dividends thereon amounted to 13.9 per cent of the gross earnings, compared with an allowable figure of about 11 per cent. For said