

# **Kotzebue corporation in FY 1980**

By STAN JONES

Kikiktagruk Inupiat Corporation, Kotzebue's village corporation, turned a profit of \$92,168 during the year ending June 30, up from approximately \$71,000 during the preceding year.

According to KIC President Al Adams, the profit and loss figures for specific investments were as follows:

On the corporation's Sunshine Plaza shopping complex in Anchorage, a loss of just over \$135 thousand; on its 41-unit apartment building in Kotzebue, a profit of just over \$115 thousand; on the Kotzebue Square store which it rents to Alaska Commercial Company, a loss of more than \$13 thousand; on the Eskimo building, an office complex which houses the corporate headquarters, a profit of more than \$52 thousand.

Despite this year's profit, the company is still not in a position to pay dividends, Adams says. It now has a net retained earnings deficit — the excess of the corporation's losses over its profits since incorporation — of just over \$95,000. Until that deficit is made up, KIC is prevented by its articles of incorporation from paying dividends.

If the corporation hits its targeted profit next year, that retained earnings deficit will be wiped out and converted to a surplus of over half a million dollars. Adams projects a profit of \$600,000 during the coming year, derived chiefly from liquid assets of about \$12 million. These are to be invested in stocks, time certificates of deposit, and a loan to NANA Regional Corporation, with an anticipated rate of return of about 15 per cent.