

BC Sugar

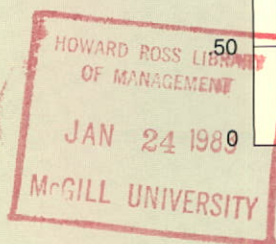
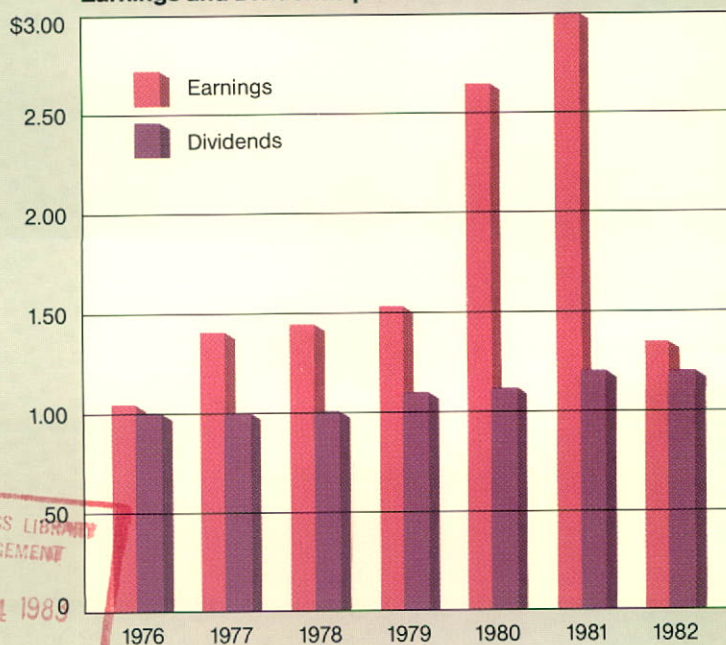
Annual Report 1982



In Brief

	1982	1981	1980
Revenues	\$160,173,000	\$213,458,000	\$201,505,000
Earnings before extraordinary items	\$ 6,961,000	\$ 14,680,000	\$ 12,708,000
Per common share			
Earnings before extraordinary items	\$1.35	\$3.00	\$2.63
Dividends	\$1.20	\$1.20	\$1.12

Earnings and Dividends per Common Share





To BC Sugar Shareholders

Earnings of \$1.35 per share in 1982 were sharply reduced from the all-time high of \$3.00 per share in the previous year. The low level of earnings in 1982 was directly attributable to a depressed world sugar price and to high interest rates.

Dividends in 1982 continued at the 1981 rate of 30 cents per share quarterly, or \$1.20 for the year. Shareholders holding approximately 12 percent of the Company's stock have elected to receive stock dividends under BC Sugar's Optional Stock Dividend Plan which came into effect in April, 1982.

Five years ago, BC Sugar instituted a share purchase plan for employees. Approximately 80% of eligible employees continue to participate in the plan, and to date over 200,000 shares, or 3.8% of the Company's issued common shares, have been purchased by employees.

Sugar

1982 was a year of low commodity prices. Most metals, fibers, grains and foods sold at very low levels during the year, and sugar was no exception.

From a peak of 43 cents (U.S.) per pound in November, 1980, the world price of raw sugar declined to just over 5 cents per pound in the fall of 1982. It has subsequently recovered slightly to 7 cents per pound, but this price is well below the cost of production.

Many families today are rediscovering the variety of grains, textures, shapes and flavours of home-baked bread. Sugar is an important ingredient, combining with yeast to make bread rise and aiding in the development of crust colour and browning.

The sharp fluctuations that often occur in the world price of sugar are a direct result of the nature of the world market. Over 80 percent of all sugar produced in the world is either consumed in the country of origin at domestically supported prices or traded under bilateral agreements at prices fixed between governments. The remaining 20 percent represents the residual world market which must absorb all of the changes in global supply and demand.

It is this residual world market that forms the basis of refined sugar prices in Canada, since 90 percent of Canada's sugar requirements comes from this source.

The excessively high world sugar price that occurred in 1980 contributed to the steep decline in 1981 and 1982. High prices encourage additional planting, and increases in acreage, coupled with exceptional yields in many countries, resulted in record world production of 100 million tonnes in 1982. This amount exceeded world consumption by about 10 million

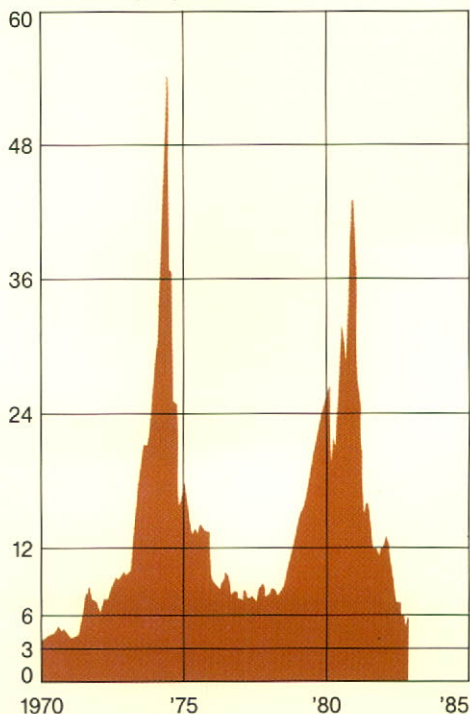
tonnes, with the result that world stocks have now climbed to nearly 40 percent of annual world consumption. A reasonable supply-demand balance requires this ratio to be about 25 percent.

Growth in world sugar production has been artificially stimulated by sugar pricing policies in the European Economic Community. Prices paid to EEC growers are much higher than would be the case in an uncontrolled market, and production is thereby encouraged far beyond domestic requirements. Resulting surpluses are dumped on the world market, driving down prices. During the past year, the EEC exported over 5 million tonnes of sugar, compared to 1 million tonnes in 1977. The Common Market's current exports represent as much as a quarter of the world market.

Sugar export subsidies have their most serious effect on developing countries whose main export is sugar. Not only are these developing nations denied a reasonable return for their exports, but they also lose a major source of foreign exchange.

With respect to BC Sugar's operations, the world sugar price is a principal determinant of the profit level of the Company's beet sugar operations, and beet sugar represents about half of the Company's sugar volume.

World Raw Sugar Price
U.S. cents per pound





Home-baked pies are a welcome sight on the table. Sugar is used to help create tempting fillings of glazed fruits, meringue, custard or cream.

In contrast, the profitability of the Vancouver cane refinery is relatively unaffected by low world sugar prices, as both purchases and sales of sugar are related to the world price. Profitability is affected more by capacity utilization and competitive conditions in the market place.

The currently depressed sugar price more than ever reinforces the necessity of improving the efficient use of labor and materials in the beet sugar factories. In 1982, improvements to the Taber plant were directed toward reductions in energy usage and extensive changes in the juice purification system. Over the past two years, the energy requirements at Taber have been reduced by about one-third. In addition, the program has improved factory efficiency in many other indirect ways.

In recent years, the North American sweetener market has been invaded by the corn industry in the form of high fructose corn syrup. This product is used chiefly to replace liquid sugar.

A number of corn sweetener plants have been built in the United States, but there now appears to be excess capacity. Any continuance of the current low price of sugar will inhibit further shifts from sugar to corn.

Inroads by corn sweeteners into BC Sugar's market area will not be as pronounced as elsewhere due to the small number of food processors in western Canada. The Company's volume of sugar sales in 1982 was virtually unchanged from the previous year.

Oil and gas

The major event of the year was the purchase in January, 1982 of an additional 27% interest in Anderson Oil & Gas Ltd. for \$31 million. This transaction, which increased BC Sugar's interest in Anderson Oil & Gas Ltd. to 51%, represented the culmination of efforts to acquire a significant position in the oil and gas industry in western Canada.

BC Sugar's participation in the oil and gas industry began in 1976 with the investment of \$5 million in

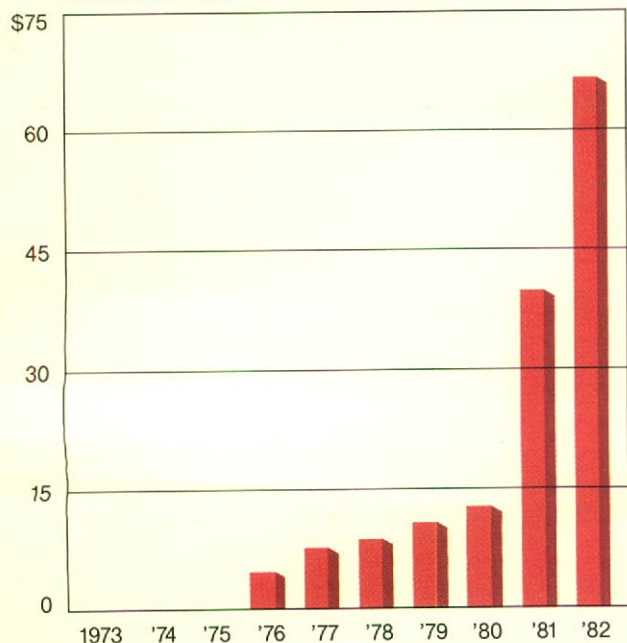
Fairweather Gas Ltd., a 60%-owned company. A further \$10 million was advanced to Fairweather between 1976 and 1981 to fund an exploration and development program. A 24% interest in Anderson Oil & Gas Ltd. was acquired in 1981, followed by the purchase of a further 27% interest in the current year. The total cost of these investments has amounted to \$73 million, and the value is considerably in excess of that amount.

In addition, in July, 1982, BC Sugar acquired a small interest in the Dunvegan gas field. This purchase of a direct interest in a major producing field provides BC Sugar with a positive cash flow, and earnings from this source should continue for many years.

The Company's position in the energy sector has been achieved without BC Sugar incurring a heavy debt burden. As the accompanying graphs indicate, the Company's investment in oil and gas companies has been financed largely out of shareholders' equity.

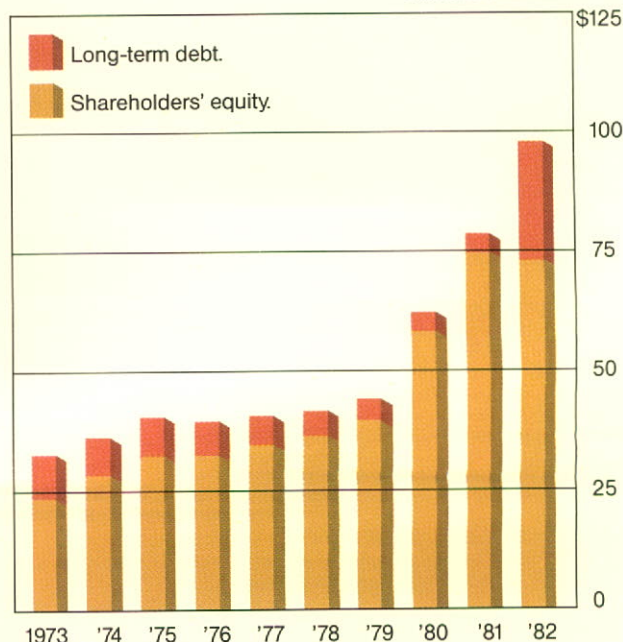
Investment in Oil and Gas Companies

Millions of dollars



Capital Structure

Millions of dollars





A significant corporate reorganization took place in October, 1982 when the six companies in the BC Sugar/Anderson group were amalgamated into a single company. The new combined enterprise is named Anderson Exploration Ltd., and it is 53%-owned by BC Sugar. Because the amalgamation occurred after the 1982 fiscal year-end, it is not reflected in the financial statements included in this year's Annual Report.

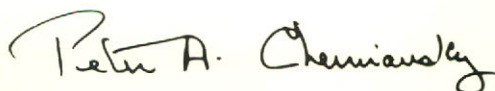
It is the present intention of Anderson Exploration Ltd. to make a private placement of some form of equity to reduce long-term debt and provide funds for expansion. Such an equity issue would, of course, dilute the interests of the existing shareholders but would put the Company in a much stronger position to utilize its present base of assets to achieve future growth.

Outlook

The world sugar price has probably reached its low point for the current cycle, but the timing of an upturn is uncertain. A general economic recovery and a lower level of interest rates should buoy the prices of all commodities, but a significant rise in the price of sugar must await a more favourable balance between world production and world consumption.

The Company is confident that Anderson Exploration Ltd. will continue to demonstrate the technical and business acumen needed to generate and realize opportunities in the oil and gas industry in Canada. The long-term outlook for the business is good; however, the degree of profitability will depend on a recognition by the various levels of Government that a strong private sector involvement in the oil and gas business is absolutely necessary from Canada's point of view.

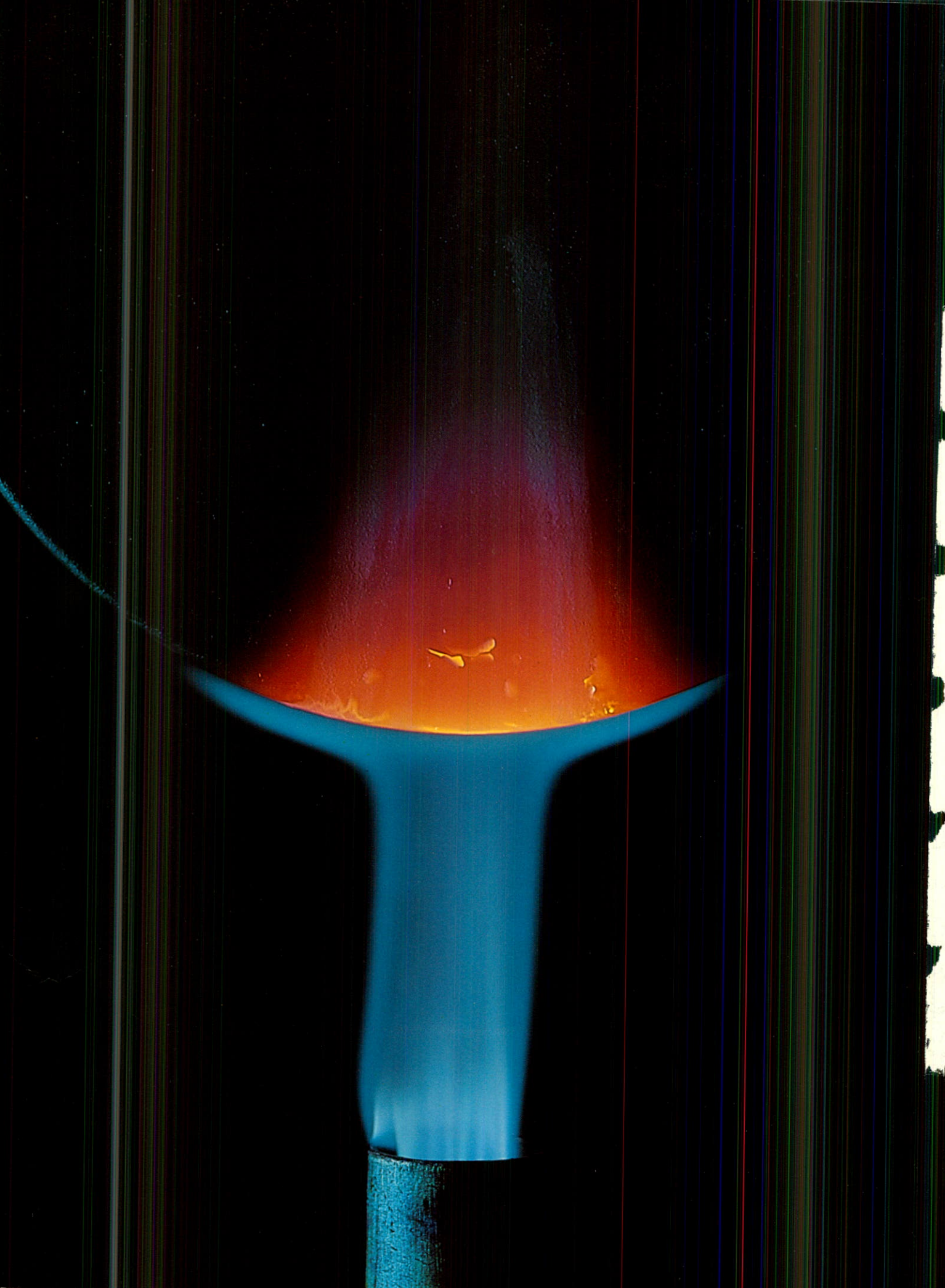
On behalf of the Board



President
BC Sugar

November 30, 1982
Vancouver, B.C.

Today, homemakers are reviving the art of preserving fresh fruit. Fruit can be purchased at the peak of season and, with the help of sugar, preserved for year-round enjoyment.



Oil and Gas

New corporate entity

In October, 1982, the six companies in the BC Sugar/Anderson group of companies were amalgamated into a single company named Anderson Exploration Ltd. Ownership of the new company is as follows:

	%
BC Sugar	53.0
J. C. Anderson	36.7
Others	10.3
	<u>100.0</u>

Anderson Exploration Ltd. has a high degree of Canadian ownership and will therefore qualify for the maximum Petroleum Incentive Payment grants under the National Energy Program.

Reserves and evaluation

Effective April 1, 1982, an independent petroleum engineering consulting firm completed an evaluation of all of the oil and gas properties of Anderson Exploration Ltd. The reserves determined by this study are as follows:

	Reserves	
Natural Gas—	439	Proven
Billions of	267	Probable
Cubic Feet	<u>706</u>	Total

	Reserves	
Oil & Natural Gas	4.2	Proven
Liquids—Millions	2.1	Probable
of Barrels	<u>6.3</u>	Total

The engineering report also calculated discounted present worth values before income taxes from the reserves, and the value of non-producing land, as follows:

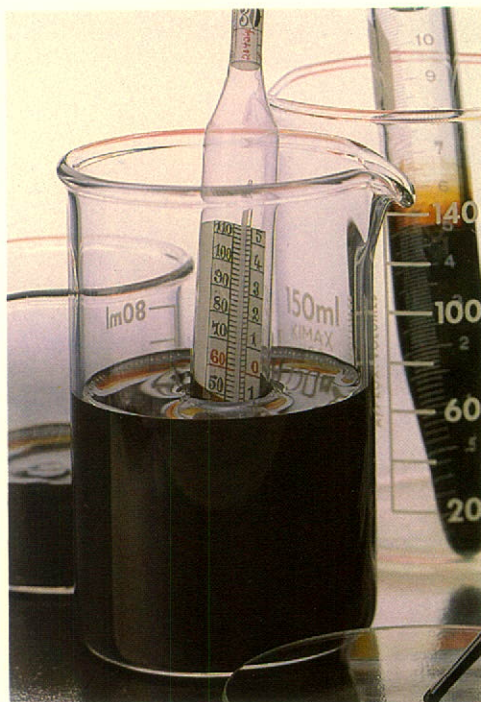
	Values (millions of dollars)	
	Future Net Revenue discounted at	
	15%	20%
Proven Reserves	\$504	\$378
Probable Reserves	227	122
	<u>\$731</u>	<u>\$500</u>
Non-Producing Land	42	42
	<u>\$773</u>	<u>\$542</u>

Production

In 1982, the Company's average daily production amounted to 61.1 million cubic feet of natural gas and 944 barrels of oil and natural gas liquids before deduction of royalties.

Approximately 95% of the gas produced and 70% of the liquids produced came from properties operated by the Company.

The Company's major producing field is the Dunvegan gas field, located in the Peace River Arch area of Alberta. The chart on the following page illustrates the recent performance of the field. During the 1982 fiscal year, production from Dunvegan averaged 108 million cubic feet of gas per day. Anderson Exploration Ltd.'s working interest in the field is 47.5%.



Western Canada's heavy oil could play an important role in the nation's future energy needs.

Natural gas from the tip of a burner heats a metal plate. As one of Canada's most important resources, natural gas has many applications in industry and in home heating and cooking.

The Daily Contract Quantity (DCQ) of the Dunvegan field is 157 million cubic feet of gas per day. The pipeline company that purchases the gas would normally be required to pay for gas at the DCQ rate, whether or not the gas is actually taken. However, for the period from July 1, 1980 to June 30, 1984, the purchaser has been given some relief and is obligated to pay for only 25% of any deficiency in purchases below the DCQ. As a result of this arrangement, the gas not taken and not paid for may be sold to others.

During the period from April to September, 1982, 2.7 billion cubic feet of this available gas was sold on a "best efforts" basis to two purchasers serving the domestic Alberta market. The sales were made at prices which approximated 75% of the Canadian export price.

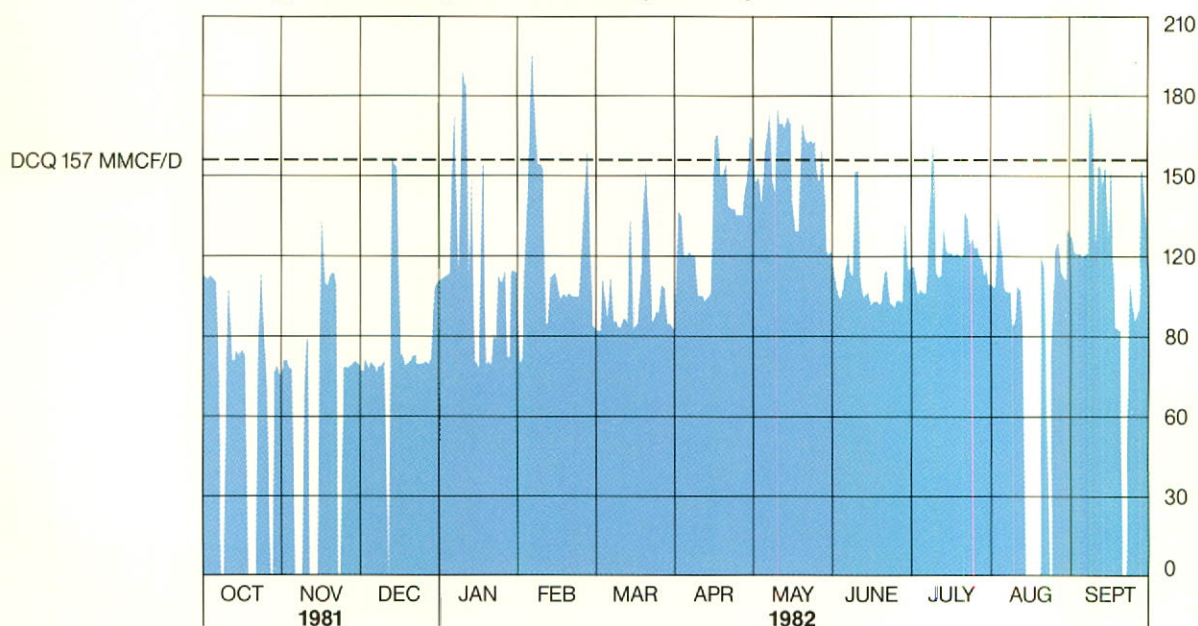
New facilities

During the year, construction was commenced on the following new gas plants and facilities to serve another purchaser, Pan Alberta:

Field	Start-up Date	Facility cost (in 000's)	Estimated Initial Production (MCFD)	Anderson Working Interest %
Buff Coulee	September 10, 1982	\$2,800	5,280	70
Woking	February 15, 1983	1,500	3,700	50
Dixonville	December 20, 1982	1,100	3,200	50
Bellis	March 1, 1983	400	1,215	89
Gordondale	November 17, 1982	1,000	1,000	50

Anderson Exploration Ltd. is the operator of these facilities. Despite the current soft market for gas, these new facilities should bring about an increase in the Company's production in 1983.

Dunvegan Field—Daily Gas Production (MMCF/D)



Five-Year Review

(Dollar amounts in thousands except per share figures)

Certain of the figures presented for 1978 to 1980 have been restated to account for investments in partly-owned subsidiary companies on the equity basis.

FINANCIAL	1982	1981	1980	1979	1978
Revenues	\$160,173	\$213,458	\$201,505	\$116,952	\$100,570
Earnings before extraordinary items	6,961	14,680	12,708	7,464	7,076
Extraordinary items	—	—	11,856	1,305	—
Net earnings	6,961	14,680	24,564	8,769	7,076
Funds provided from sugar operations	12,812	19,467	16,375	11,581	10,401
Working capital	9,588	20,181	32,259	12,151	11,296
Capital expenditures on sugar facilities	3,370	3,824	2,919	3,179	7,997
Total investment in oil and gas companies	66,851	39,895	12,608	10,592	9,329
Long-term debt	25,226	4,338	3,666	4,186	4,875
Shareholders' equity	72,874	74,931	58,660	39,976	36,611
Per common share					
Earnings before extraordinary items	\$ 1.35	\$3.00	\$2.63	\$1.53	\$1.45
Extraordinary items	—	—	2.47	.27	—
Net earnings	1.35	3.00	5.10	1.80	1.45
Dividends	1.20	1.20	1.12	1.10	1.00
OTHER INFORMATION					
Number of employees	556	575	570	589	647
Number of common shareholders	4,089	4,064	3,945	3,975	3,710
Degree of Canadian registration of common shares	94%	94%	92%	91%	90%

Statement of Earnings

BC Sugar Refinery, Limited and Consolidated Subsidiaries, Years ended September 30

(In Thousands of Dollars)

	1982	1981
Revenues		
Sales	\$159,943	\$212,417
Other	230	1,041
Total revenues	160,173	213,458
Costs and expenses		
Cost of sales	119,639	167,026
Selling, general and administrative	15,999	15,449
Depreciation	3,564	3,564
Long-term debt interest	2,811	383
Other interest	3,478	498
Total costs and expenses	145,491	186,920
	14,682	26,538
Operations of oil and gas companies	(1,666)	318
Earnings before income taxes	13,016	26,856
Income taxes	6,055	12,176
Net earnings	\$ 6,961	\$ 14,680
Net earnings per common share	\$1.35	\$3.00

Statement of Reinvested Earnings

	1982	1981
Balance, beginning of year	\$ 61,356	\$ 52,540
Net earnings	6,961	14,680
	68,317	67,220
Dividends (Note 8)	6,406	5,864
Balance, end of year	\$ 61,911	\$ 61,356

Statement of Changes in Financial Position

BC Sugar Refinery, Limited and Consolidated Subsidiaries, Years ended September 30

(In Thousands of Dollars)

	1982	1981
Funds provided from sugar operations	\$ 12,812	\$ 19,467
Fixed asset expenditures on sugar facilities	3,370	3,824
Cash dividends paid to BC Sugar shareholders	6,048	5,864
	9,418	9,688
Operating funds remaining	3,394	9,779
Other sources of funds		
Increase in long-term debt	21,471	672
Realization of other investments	589	579
	25,454	11,030
Other uses of funds		
Investment in oil and gas companies	31,292	19,912
Other investments	3,872	3,076
Decrease in long-term debt	583	—
Purchase of preferred shares in the open market	300	120
	36,047	23,108
Decrease in working capital	\$(10,593)	\$(12,078)
Working capital at beginning of year	\$ 20,181	\$ 32,259
Working capital at end of year	\$ 9,588	\$ 20,181

Balance Sheet

BC Sugar Refinery, Limited and Consolidated Subsidiaries, September 30

(In Thousands of Dollars)

	1982	1981
ASSETS		
Current Assets		
Accounts receivable	\$ 17,387	\$ 20,363
Inventories (Note 2)	20,832	21,638
Total current assets	38,219	42,001
Investment in Oil and Gas Companies (Note 3)	66,851	39,895
Other Investments (Note 4)	10,721	7,763
Fixed Assets (Note 5)		
Property, plant and equipment	74,280	70,948
Less accumulated depreciation	54,001	50,475
Total fixed assets	20,279	20,473
Total	\$136,070	\$110,132

	1982	1981
LIABILITIES		
Current Liabilities		
Bank loans, secured	\$ 12,406	\$ 2,571
Accounts payable and accrued liabilities	14,099	19,249
Income taxes payable	2,126	—
Total current liabilities	28,631	21,820
Long-Term Debt (Note 6)	25,226	4,338
Income Taxes Provided not Currently Payable (Note 7)	9,339	9,043
Total	63,196	35,201
SHAREHOLDERS' EQUITY		
Share Capital (Note 8)		
5,280,675 Common shares (1981—5,255,000 shares)	14,368	14,010
85,000 Preferred shares (1981—100,000 shares)	1,700	2,000
	16,068	16,010
Earnings Reinvested in the Business	61,911	61,356
	77,979	77,366
Proportion of Company's shares held by Anderson Oil & Gas Ltd. (Note 3)	(5,105)	(2,435)
Total shareholders' equity	72,874	74,931
Total	\$136,070	\$110,132

Approved on behalf of the Board
Forrest Rogers, *Director*.
Peter A. Cherniavsky, *Director*.

Notes to Financial Statements

BC Sugar Refinery, Limited and Consolidated Subsidiaries, September 30, 1982

1. Significant accounting policies

a) Basis of presentation

The consolidated financial statements include the accounts of all wholly-owned subsidiary companies.

At September 30, 1982, the Company owned 51% of Anderson Oil & Gas Ltd. ("Anderson") and 60% of Fairweather Gas Ltd. ("Fairweather"). Since the Company does not intend to retain majority control of Anderson and Fairweather or their successor corporation (see Note 3(b)), Anderson and Fairweather have been accounted for on the equity basis in these financial statements. The excess of the purchase price of the shares of Anderson and Fairweather over their underlying net book value has been attributed to oil and gas properties and is being amortized on the basis of estimated proven reserves.

Condensed financial information is given for both Anderson and Fairweather (Note 3).

b) Inventories

Inventories of beet sugar and supplies are valued at the lower of average and replacement cost. A normal quantity of 35,000 tonnes of cane sugar is valued at \$85 per tonne, which is less than replacement value. Any quantities of cane sugar in excess of this amount are valued at the lower of average and replacement cost. Such excess quantities are hedged and are not at market risk. Earnings are charged with unrealized net losses related to open positions in the futures market, but net gains are not reflected in earnings until realized.

The Company's basis of valuing cane sugar is not allowable for income tax purposes, and accumulated income taxes of \$1,745,000 (1981—\$5,165,000), applicable to the difference between the Company's basis of valuation and that required for income tax purposes, are added to inventory values.

c) Fixed assets

Fixed assets are stated at cost. Depreciation is computed on the diminishing balance basis at rates varying from four percent to thirty percent per annum.

d) Earnings per common share

Earnings per common share are calculated after adjusting for the reciprocal ownership of shares of the Company held by Anderson.

2. Inventories

	1982	1981
Sugar	\$14,384,000	\$17,022,000
Supplies	6,448,000	4,616,000
	<u>\$20,832,000</u>	<u>\$21,638,000</u>

3. Investment in Oil and Gas Companies

	1982	1981
Anderson Oil & Gas Ltd.	\$51,489,000	\$24,775,000
Fairweather Gas Ltd.	15,362,000	15,120,000
	<u>\$66,851,000</u>	<u>\$39,895,000</u>

a) Anderson Oil & Gas Ltd. ("Anderson")

Effective November 12, 1981, the Company purchased a further 27% interest in Anderson for \$31,292,000, payable \$9,821,000 cash on January 5, 1982 and \$21,471,000 in notes due in three equal annual amounts commencing January, 1983. This transaction increased the Company's interest in Anderson to 51%.

To reflect Anderson's ownership of 474,788 shares of BC Sugar, both the Company's investment in Anderson and the Company's shareholders' equity have been reduced by 51% (1981—24%) of the cost of the BC Sugar shares held by Anderson.

The investment in Anderson is comprised as follows:

Cost of shares representing a 51% interest	\$58,502,000
Less proportion of BC Sugar shares held by Anderson	(5,105,000)
	53,397,000
Less accumulated results of operations	(1,908,000)
	\$51,489,000

b) Fairweather Gas Ltd. ("Fairweather")

In 1981, Fairweather purchased all the outstanding shares of Alamo Petroleum Ltd. ("Alamo") and AMAX Petroleum of Canada Ltd. ("Amax Petroleum") for approximately \$209,000,000. The purchase is being financed by a long-term bank loan, the existing terms of which call for repayment in thirty-two equal quarterly instalments commencing October, 1983 at an interest rate of prime plus ¼% to ⅝%.

To September 30, 1982, Fairweather sought to reduce these borrowings by the proceeds of sale on a private basis of all or a portion of the shares of Alamo and Amax Petroleum. Accordingly, to September 30, 1982, the shares of Alamo and Amax Petroleum were treated as a temporary investment, and the related net carrying costs were added to the cost of the shares. In the year ended September 30, 1982, net carrying costs of \$9,852,000 were added to the cost of the shares, representing interest costs of \$37,752,000 less dividends received from Alamo and Amax Petroleum of \$27,900,000.

On October 1, 1982, Anderson, Fairweather, Alamo, Amax Petroleum and two other companies were amalgamated to form a new company, Anderson Exploration Ltd., which is owned 53% by BC Sugar. Net carrying costs incurred after October 1, 1982 in connection with the Alamo and Amax Petroleum acquisition are to be expensed. In addition, the excess of the carrying value of the shares in these companies over their underlying net book value has been attributed to oil and gas properties and will be written off in future years on the basis of estimated proven reserves.

The following is condensed financial information for Anderson and Fairweather:

	(in thousands)			
	Anderson		Fairweather	
	1982	1981	1982	1981
Results of operations for the years ended September 30				
Revenues	\$ 8,925	\$ 5,042	\$ 4,199	\$ 3,450
Costs and expenses	7,922	2,918	1,975	1,483
Earnings before income taxes	1,003	2,124	2,224	1,967
Income taxes	1,151	1,145	1,365	1,167
Earnings (loss) reported by Anderson and Fairweather	\$ (148)	\$ 979	\$ 859	\$ 800
BC Sugar's share of earnings (loss) of Anderson and Fairweather	\$ (38)	\$ —	\$ 419	\$ 358
Amortization of excess of BC Sugar's purchase price over underlying net book values	(1,870)	—	(177)	(40)
Results of operations reported by BC Sugar	\$ (1,908)	\$ —	\$ 242	\$ 318

Notes to Financial Statements

BC Sugar Refinery, Limited and Consolidated Subsidiaries, September 30, 1982

3. Investment in Oil and Gas Companies (cont'd.)	(in thousands)			
	Anderson 1982	Anderson 1981	Fairweather 1982	Fairweather 1981
Financial position at September 30				
Working capital (deficiency)	\$ (1,706)	\$(11,294)	\$ 7,112	\$ 5,371
Oil and gas properties, plant and equipment (net)	43,062	42,399	11,588	11,037
Investment in Alamo Petroleum Ltd. and AMAX Petroleum of Canada Ltd.	—	—	220,374	210,522
Other investments, including 474,788 shares of BC Sugar, at cost	14,979	14,643	—	—
	56,335	45,748	239,074	226,930
Deferred revenue	3,750	2,560	1,771	1,330
Deferred income taxes	5,804	4,624	4,583	2,713
Long-term debt	8,734	—	219,029	210,055
	18,288	7,184	225,383	214,098
Net assets	\$38,047	\$ 38,564	\$ 13,691	\$ 12,832

4. Other investments	1982	1981
Real estate development properties	\$ 5,112,000	\$5,447,000
Preferred shares in Belkin Packaging Ltd., redeemable \$579,000 annually, net of current portion	1,737,000	2,316,000
Oil and gas properties	3,872,000	—
	\$10,721,000	\$7,763,000

5. Fixed assets	Cost	Accumulated depreciation	Net Investment	
			1982	1981
Land	\$ 309,000	\$ —	\$ 309,000	\$ 310,000
Plant and equipment	73,971,000	54,001,000	19,970,000	20,163,000
	\$74,280,000	\$54,001,000	\$20,279,000	\$20,473,000

6. Long-term debt	1982	1981
Notes payable in three equal annual instalments commencing in January, 1983 at an interest rate which is the average of the prime lending rate and the one-year term deposit rate	\$21,471,000	\$ —
9½% First Mortgage Sinking Fund Bonds repayable \$635,000 annually to 1986 and \$610,000 in 1987, net of sinking fund purchases in advance	2,652,000	3,018,000
Loans for real estate development	1,320,000	1,320,000
	\$25,443,000	\$4,338,000
Less current portion included in accounts payable	217,000	—
	\$25,226,000	\$4,338,000

The notes payable are secured by bank letters of credit. Long-term bank borrowings will be utilized to repay the notes to the extent that internally generated funds are not available to satisfy the obligations.

7. Income taxes

The Company follows the tax allocation method of accounting whereby the income tax provision is based on earnings reported in the accounts. Accordingly, the Company makes full provision for income taxes not currently payable as a result of claiming capital cost allowances in excess of the amounts provided for depreciation in the accounts. Income taxes provided in the Statement of Earnings include \$296,000 (1981—\$693,000) not currently payable.

8. Share capital	1982	1981
Common shares		
Class A	3,878,520	4,494,331
Class B	1,402,155	760,669
	5,280,675	5,255,000
	1982	1981
Preferred shares, carrying a cumulative dividend entitlement of \$1.00 per share and redeemable at \$20.00 per share	85,000	100,000

Class A and Class B shares are voting, rank equally with respect to dividends and are convertible into one another on a share for share basis.

In April, 1982, the Company offered to Class B shareholders the opportunity to elect to receive stock dividends in lieu of cash dividends.

	1982	1981
Common share dividends—\$1.20 per share (1982 and 1981)	\$6,310,000	\$5,760,000
Less 25,675 shares issued as stock dividends	358,000	—
	5,952,000	5,760,000
Preferred share dividends—\$1.00 per share	96,000	104,000
Total cash dividends paid	\$6,048,000	\$5,864,000

Auditors' Report

To the Shareholders

We have examined the consolidated balance sheet of BC Sugar Refinery, Limited as at September 30, 1982 and the related consolidated statements of earnings, reinvested earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the company as at September 30, 1982 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Vancouver, Canada
November 15, 1982

THORNE RIDDELL
Chartered Accountants

Directors of BC Sugar Refinery, Limited

Ian Angus
Formerly Vice-President of the Company

William C. Brown
Vice-President of the Company

Peter A. Cherniavsky
President of the Company

John G. Cochrane
Vice-President of the Company

William R. Hetherington
Formerly Vice-President of the Company

John W. Pitts
President of MacDonald Dettwiler and Associates Ltd.

Forrest Rogers
Chairman of the Board of the Company

H. Richard Whittall
*Vice-Chairman and Director,
Richardson Greenshields of Canada Limited*

F. Cameron Wilkinson
Chairman of Wilkinson Company Limited

Officers of Operating Companies

The British Columbia Sugar Refining Company, Limited

Forrest Rogers
Chairman of the Board

Peter A. Cherniavsky
*President and
Chief Executive Officer*

William C. Brown
Vice-President

John G. Cochrane
*Vice-President, Finance
and Secretary*

William A. Willison
Vice-President

William A. Davies
General Sales Manager

Stanley E. George
General Manager, Operations

James W. Hudson
Treasurer

G. M. Guccione
*General Manager,
Alberta Sugar*

David M. S. Elliott
*General Manager,
Manitoba Sugar*

Anderson Exploration Ltd.

J. C. Anderson
President

Phillip C. Evans
Vice-President, Land

A. H. Williamson
Vice-President, Operations

David G. Scobie
Secretary and Treasurer

James F. Strayhan Jr.
Controller and Assistant Secretary

Head Office of BC Sugar

Location:
Rogers Street, Vancouver, B.C.

Postal address:
Box 2150, Vancouver, B.C. V6B 3V2

Stock Listing

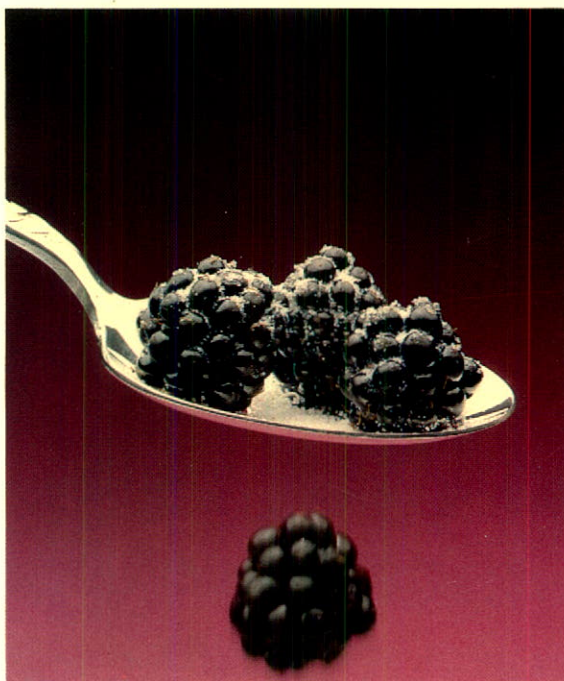
Toronto Stock Exchange

Transfer Agents

National Trust Company, Limited
Toronto and Vancouver

Annual Meeting

The Annual Meeting of Shareholders will be held on Tuesday, February 15, 1983 at 3:00 P.M. in the Park Ballroom of The Four Seasons Hotel, Vancouver, British Columbia.



A sprinkling of sugar complements the taste of freshly-picked blackberries. Sugar in its many forms has an important place in our diet, adding energy value and enhancing the taste of foods of every description.