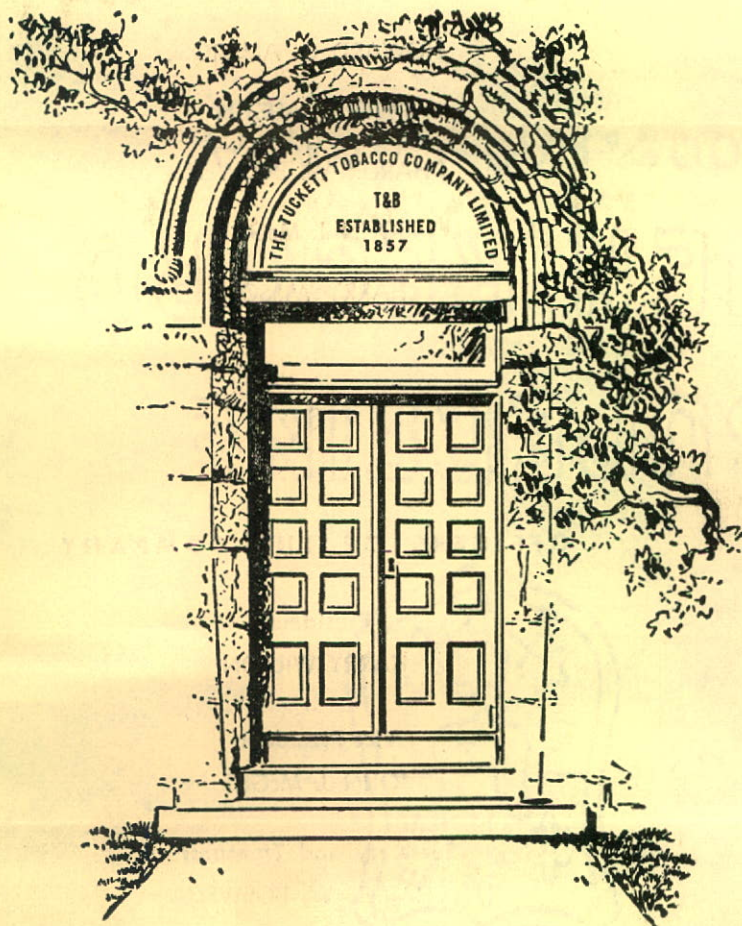


THE TUCKETT TOBACCO COMPANY, LIMITED

HAMILTON, CANADA



FORTY-THIRD ANNUAL REPORT

FOR THE YEAR ENDED

31st MARCH 1955

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THE TUCKETT TOBACCO COMPANY, LIMITED
HAMILTON, CANADA

§

BOARD OF DIRECTORS

HOWARD S. AMBROSE

PETER R. AUSTIN

CHARLES W. BOSWELL

JOHN J. MCGILL

HARRY WILSON

§

OFFICERS OF THE COMPANY

President

HARRY WILSON

Vice-President

JOHN J. MCGILL

Secretary and Treasurer

CHARLES W. BOSWELL

§

AUDITORS

DELOITTE, PLENDER, HASKINS & SELLS

**FORTY-THIRD ANNUAL REPORT
OF
THE TUCKETT TOBACCO COMPANY, LIMITED**

TO THE SHAREHOLDERS:

Presented herewith is the Annual Report of your Company, together with Consolidated Financial Statements and Auditors' Report for the year ended 31st March, 1955.

Net Profit For The Year, after deducting all charges and expenses for management and providing for Income Taxes, amounted to \$350,675. This enabled your Directors to authorize the payment of Dividends on Preference and Ordinary Shares aggregating \$315,000, leaving Earned Surplus at \$3,191,353, an increase for the year of \$35,675.

The results for the twelve months covered by this Report are somewhat disappointing. While the sales volume of Tuckett products was for the most part well maintained, the Company's leading cigarette brands being concentrated in the blended type did not participate in the increased demand which was characteristic of the market for Canadian-manufactured virginia cigarettes during the period concerned.

Net Profit shows a decrease compared with the previous year and, as a consequence, while Dividends on Preference Shares have been maintained at the regular rate, the Dividends on Ordinary Shares have been substantially reduced.

In the face of these facts, your Company is pursuing energetically the courses open to it which, it is hoped, may lead to improvement in the results for the coming year.

The Board is pleased to acknowledge the contribution made to its endeavours by the large number of employees who work in the best interests of the Company.

On behalf of the Directors,

Harry Wilson.

PRESIDENT.

Hamilton, 11th May, 1955.

THE TUCKETT TOBACCO COMPANY

CONSOLIDATED BALANCE SHEET

ASSETS

CURRENT ASSETS

1954

Cash	\$ 183,402	\$	94,266
Government of Canada Securities (<i>Market Value \$25,150</i>)	25,000		25,000
Accounts Receivable, less Reserve for Doubtful Debts	959,022		1,015,933
Inventories of Leaf Tobacco, Manufacturing Materials, Supplies and Finished Products (<i>at average cost</i>)	6,625,417		6,725,044
	7,792,841		7,860,243

SUNDRY INVESTMENTS

Mortgage	95,000		102,500
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FIXED ASSETS

Real Estate, Buildings, Plant and Equipment (<i>at cost</i>)	1,736,728		1,662,554
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PREPAID CHARGES

Taxes, Insurance, etc., Paid in Advance	3,098		3,938
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GOODWILL

Goodwill and Trade Marks	2,478,672		2,478,672
	\$ 12,106,339		\$ 12,107,907

AUDITORS' REPORT

TO THE SHAREHOLDERS OF
THE TUCKETT TOBACCO COMPANY, LIMITED:

We have examined the books and accounts of The Tuckett Tobacco Company, Limited and its subsidiary companies for the year ended March 31, 1955 and have received all the information and explanations we have required. Our examination included such tests of the accounting records and other supporting evidence and such other procedures as we have considered appropriate in the circumstances.

In our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the companies as at March 31, 1955 according to the best of our information and the explanations given to us and as shown by the books of the companies.

38 King Street West, Toronto.
May 9, 1955.

DELOITTE, PLENDER, HASKINS & SELLS,
Chartered Accountants,
Auditors.

LIMITED and Subsidiary Companies

NET 31st MARCH 1955

LIABILITIES

CURRENT LIABILITIES

1954

Accounts Payable	\$ 750,037	\$ 917,182
Income and Excise Taxes	807,631	886,000
Dividends Payable:		
On Ordinary Shares	75,000	50,000
On 7% Cumulative Preference Shares	35,000	35,000
	1,667,668	1,888,182

RESERVES

Reserves for Buildings, Plant and Equipment	1,615,830	1,537,477
Provision for Retirement Allowances to Employees	255,196	255,196
Fixed Asset and Inventory Replacement Reserves	862,917	759,274
Sundry Reserves	13,375	12,100

CAPITAL

Authorized and Issued:		
7% Cumulative Preference Shares:		
20,000 shares of the par value of \$100 each	2,000,000	2,000,000
Ordinary Shares:		
25,000 shares of the par value of \$100 each	2,500,000	2,500,000

SURPLUS

Earned Surplus	3,191,353	3,155,678
	\$ 12,106,339	\$ 12,107,907

Approved on behalf of the Board:

HARRY WILSON, Director.
CHARLES W. BOSWELL, Director.

THE TUCKETT TOBACCO COMPANY, LIMITED
and Subsidiary Companies

STATEMENT OF CONSOLIDATED PROFIT AND LOSS
and EARNED SURPLUS

Year Ended 31st March 1955

Income from Operations <i>before taking into account the undernoted items shown separately, but after deducting all charges and expenses for management which include directors' fees—\$240, remuneration to all executive officers, salaried directors, solicitors, and other legal expense—\$50,909</i>	\$	784,891	\$	965,657
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1954

NOTE: *The charge against Operations in respect of depreciation amounted to \$175,440.*

Add:

Income from Investments	13,578		18,896
	798,469		984,553

Deduct:

Income Taxes	447,794		570,330
NET PROFIT FOR THE YEAR	350,675		414,223

Add:

Earned Surplus 1st April	3,155,678		3,131,455
	3,506,353		3,545,678

Deduct:

Dividends on Preference Shares.....	140,000		140,000
Dividends on Ordinary Shares	175,000		250,000
Earned Surplus 31st March	\$ 3,191,353		\$ 3,155,678

1955
The Tuckett Tobacco
Company, Limited

ANNUAL REPORT

For the Year Ended
31st March 1955
