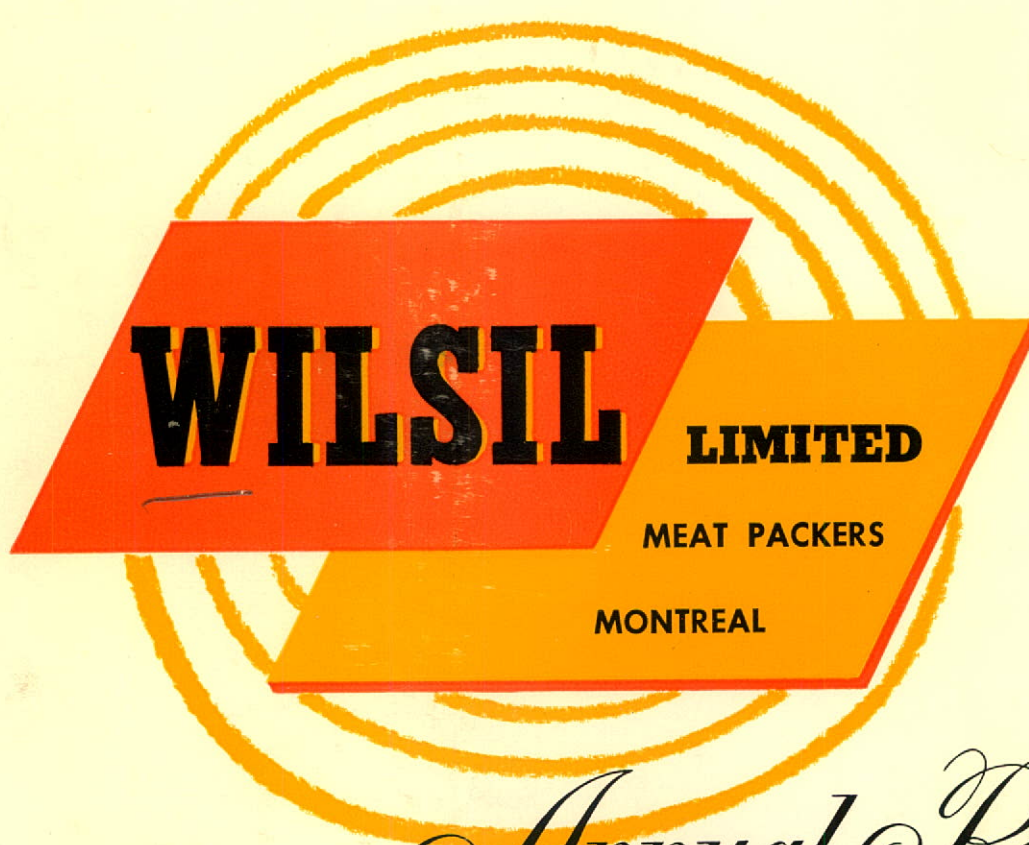


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Annual Report
1952

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A. R. DUCKETT
H. GILLHAM
R. W. JAMESON
H. MacEWAN
A. D. S. McCRAE
G. A. MORRIS
F. K. MORROW
J. P. ST. LAURENT, LL.L.

DIRECTORS

W I L S I L L I M I T E D

1239 MILL STREET, MONTREAL

F. K. MORROW
Chairman, Board of Directors

H. GILLHAM
Vice-Chairman

A. R. DUCKETT
President and General Manager

A. D. S. McCRAE
Vice-President

J. R. LAVIGUEUR
Secretary-Treasurer

OFFICERS



WILSIL

LIMITED

MEAT PACKERS

MONTREAL

Annual Report

1952

DIRECTORS' REPORT

T O S H A R E H O L D E R S

FOR YEAR ENDED JANUARY 3rd, 1953

APRIL 10th, 1953

Your Directors take pleasure in presenting, herewith, the Balance Sheet, Statement of Profit and Loss and the Auditors' Report for the Company's Financial year ended January 3rd, 1953.

The Net Profit, after providing for Income Taxes and Depreciation, amounted to \$234,806.

Four quarterly dividends of 30 cents each were paid during the year amounting to \$162,840.

The Profit and Loss Statement and Consolidated Balance Sheet appear in the following pages and below we give a Comparative Statement of the Company's earnings over a period of years:

| | <u>OPERATING PROFIT</u> | <u>DEPRECIATION</u> | <u>NET INCOME TAX</u> | <u>NET PROFIT</u> | <u>EARNED PER SHARE</u> |
|------|-----------------------------|---------------------|-------------------------------|-----------------------|---------------------------------|
| 1943 | 385,113 | 48,832 | 151,597 | 184,684 | 1.36 |
| 1944 | 438,429 | 51,569 | 179,018 | 207,842 | 1.53 |
| 1945 | 558,584 | 53,531 | 273,058 | 231,995 | 1.70 |
| 1946 | 609,096 | 54,817 | 310,325 | 243,954 | 1.79 |
| 1947 | 529,892 | 58,059 | 230,525 | 241,308 | 1.77 |
| 1948 | 567,388 | 72,336 | 246,593 | 248,459 | 1.83 |
| 1949 | 415,766 | 117,988 | 122,000 | 175,778 | 1.30 |
| 1950 | 477,969 | 110,465 | 153,700 | 213,804 | 1.57 |
| 1951 | 512,591 | 118,274 | 205,067 | 189,250 | 1.39 |
| 1952 | 607,192 | 98,886 | 273,500 | 234,806 | 1.73 |

Your Directors have deemed it advisable to maintain the Inventory Reserve of \$100,000.

PLANT | During the year, considerable improvements have been made which will mean more economical and efficient operation, and improve working conditions for our employees. Floors have been renewed, more office space and rest rooms have been provided. Drains throughout our entire Plant have been modernized and a Central Catch basin added. Our Ham Canning equipment has been increased and the Department enlarged. General Housekeeping has been maintained at a high level.

RECEIPTS OF LIVESTOCK | The hog gradings for 1952 for all Canada totalled 6,698,642, the highest since the record year of 1944, and compare with 4,894,542 in 1951. The Province of Quebec's share of this increase was 488,827, an increase of 42% over 1951.

CATTLE AND CALVES | The year 1952 opened in January with good cattle at the highest price level of all time; choice heavy steers at over 35c. per lb., live, and good butcher steers at 34c. Prices immediately began a readjustment to lower levels. February found the U.S. market closed to Canadian live cattle and all dressed beef products. As a consequence, prices maintained a slow but steady downward move. By May, good steers had dropped 10c. per lb., live, and owners of live cattle were faced with heavy losses. The Government stepped in, placed a floor price on the heavy cattle and took care of the surplus of choice and good cattle for export.

This halted the downward trend, strengthened the market to the extent of 2 to 2½c. and steadied trading. Later in the fall, when the heavy runs of cattle to market take place, floor prices were lowered and by the end of October choice heavy steers were down to 25c. with good around 22c. Prices in the last two months of the year firmed upward a little. The U.S. market during the year also followed a lower trend to the extent of 3 to 4c. on choice steers, and their good steers slipped below the Canadian price.

Total beef slaughtering in all Canadian plants totalled for 1952 — 1,237,630 against 1951 — 1,149,789, an increase of 7.6%.

Calf prices followed the same downward trend as beef. Total slaughtering for 1952 was 567,760 against 1951 — 583,718, a slight decline of 2.7%. This decline is not serious as female stock was absent from the market, having been held back on the farms.

CATTLE POPULATION

Because of the lack of the usual heavy export of finished and feeder cattle to the U.S., and the Government's urge to retain on the farms light weight and young cattle, it is reasonable to assume that the cattle population has reached or exceeded the 1945 figure of 10¾ million, which was the high year. The following six years show consistent declines. The 1952 increase may only be a temporary one, as with the reopening of the U.S. market, cattle population may again decline, unless the urge on Canadian cattle raisers to build up the country's holdings of cattle brings results. Canada needs an increase of around 3 million cattle over the 1945 figure. In 1951 Canada exported in live cattle and meats, approximately, 414,624 cattle. In 1952 the Government received the equivalent of 103,000 for export, the difference accounting for almost one half of the increased holdings of 1952.

Montreal has to obtain the bulk of its butcher cattle from the Western Provinces and Ontario. The Quebec farmers should be able to supply a large share of these cattle. With the assistance of the Breeders' Associations and the fieldmen of both Provincial and Federal Departments of Agriculture, the time is coming when they will be able to do so.

SHEEP AND LAMBS

For the first time in many years there was a good increase in the marketing of lambs. Again this may be accounted for by the absence of export and not from an increase in the breeding and feeding on the farms. Slaughtering for 1952 were 512,966 against 1951 — 438,518, an increase of 17%. Western Canada accounted for 194,080, an increase of 46.3% and Eastern Canada 318,886, an increase of 4.2%. The Province of Quebec increase was 1.4%.

Prices during 1952 followed that of cattle and calves downward, and the lower lamb prices have resulted in increased consumer demand.

BY-PRODUCTS

The market on calf skins improved during the year, and cattle hides have remained fairly steady.

The tallow market continued its decline, which started late in 1951 and its value today is, approximately, at the same level as in the early '30's.

LABOUR

Plant labour relations continued to be excellent and the Union have co-operated with Management at all times.

The Wilsil Social Club staged a very successful picnic in July and a well attended Dance in December. Our Accident Prevention Campaign resulted in the fewest lost time accidents in the history of the Company.

Your Directors wish to record their appreciation of the efficient and loyal services of all the Company's employees.

On behalf of the Directors,

F. K. MORROW,
CHAIRMAN OF THE BOARD.

A. R. DUCKETT,
PRESIDENT.

WILSI

ASSETS

CURRENT ASSETS:

| | | |
|--|---------------|----------------|
| Cash | \$ 514,648.48 | |
| Accounts receivable, less provision for doubtful accounts | 1,544,128.79 | |
| Inventories of products, materials and supplies at the lower of cost or market | 1,246,993.66 | |
| | <hr/> | \$3,305,770.93 |

FIXED ASSETS:

| | | |
|--|--------------|------------|
| Buildings, machinery and equipment at depreciated replacement value as certified by Canadian Appraisal Company, Limited, December 18, 1928, and subsequent additions at cost | 2,073,618.46 | |
| Less: Accumulated provision for depreciation | 1,219,888.79 | |
| | <hr/> | 853,729.67 |

DEFERRED ASSETS AND PREPAID EXPENSES:

| | | |
|---|-----------|-----------|
| Balance of sale price of property (due 1953-1956) | 13,750.00 | |
| Deposits | 4,620.00 | |
| Prepaid expenses | 27,862.11 | |
| | <hr/> | 46,232.11 |

| | | |
|--------------------|--|-----------------------|
| GOODWILL | | 1.00 |
| | | <hr/> |
| | | <u>\$4,205,733.71</u> |

Signed on behalf of the Board:

F. K. MORROW, Director.

A. R. DUCKETT, Director.



LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

AS AT JANUARY 3, 1953

LIABILITIES

CURRENT LIABILITIES:

| | | |
|---|-------------------|---------------|
| Accounts payable and accruals | \$ 431,414.21 | |
| Provision for income taxes | 117,054.31 | |
| | <u>548,468.52</u> | \$ 548,468.52 |

| | | |
|-----------------------------------|--|------------|
| RESERVE FOR INVENTORIES | | 100,000.00 |
|-----------------------------------|--|------------|

CAPITAL STOCK:

| | | |
|---|--|--------------|
| Common — without nominal or par value — | | |
| Authorized — 200,000 shares | | |
| Issued — 135,700 shares | | 1,027,000.00 |

| | | |
|---|--|---------------------|
| EARNED SURPLUS — statement attached | | 2,530,265.19 |
| | | <u>4,205,733.71</u> |

Submitted with our accompanying Report dated March 23, 1953.

P. S. ROSS & SONS,
Chartered Accountants.

MONTREAL, QUE.

W I L S I L
L I M I T E D

AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
AND EARNED SURPLUS FOR THE
FIFTY-THREE-WEEK PERIOD ENDED
JANUARY 3, 1953

| | | |
|--|--------------|-----------------------|
| Profit from operations, before providing for depreciation and taxes on income | | \$ 607,191.82 |
| Deduct: Provision for depreciation | \$ 98,886.13 | |
| Provision for income taxes | 273,500.00 | |
| | | <u>372,386.13</u> |
| Net profit for the year | | 234,805.69 |
| Surplus, December 29, 1951 | | 2,458,088.97 |
| Profit on disposal of fixed assets | | 210.53 |
| | | <u>2,693,105.19</u> |
| Dividends on capital stock of Wilsil Limited 135,700 shares at \$1.20 | | <u>162,840.00</u> |
| Surplus, January 3, 1953 | | <u>\$2,530,265.19</u> |

AUDITORS' REPORT

TO THE SHAREHOLDERS

March 23, 1953

Wilsil Limited,
Montreal, Que.

We have examined the consolidated balance sheet of Wilsil Limited and its subsidiaries as at January 3, 1953, and the related statement of profit and loss and surplus for the fifty-three-week period ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

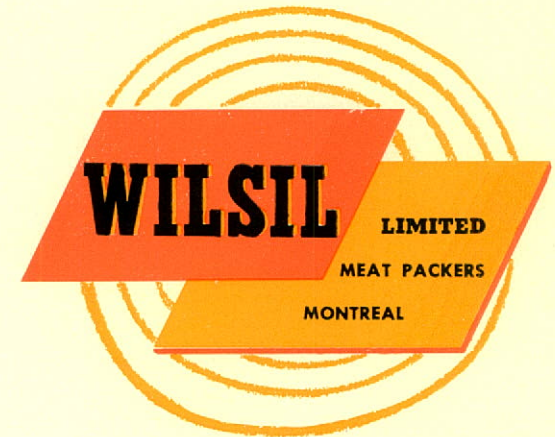
In our opinion the accompanying consolidated balance sheet and related statement of profit and loss and surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company and its subsidiaries as at January 3, 1953, and the results of their operations for the fifty-three-week period ended on that date according to the best of our information and the explanations given to us and as shown by the books of the Companies.

P. S. ROSS & SONS,
Chartered Accountants.



Left: PACKING 'FLAT PAK' BACON, the girls in the background carefully watch weighing machines to see whether to tuck another rasher in or not. Relaxed yet attentive to duty, their attitude is typical of the healthy team spirit maintained at Wilsil.

Right: SKILLED OPERATIVES make Wilsil sausages by hand as well as with the aid of machinery. The sausage room, like the rest of the plant, observes strict standards of hygiene.



Left: CELLOPHANE 'SKINS' are removed from frankfurters just before they are put into the containers on this conveyor belt. Operatives pack them as they pass.

Centre: LAST STEP in the processing of a quality product is safe speedy delivery. Wilsil takes care of this with a fleet of large modern trucks manned by experienced drivers.

Right: WITHOUT LEAVING their modern well-lighted office, Wilsil inside salesmen pay a great many calls—by telephone. This helps them to give their butcher clients faster service.

Left: EMPLOYEE RECREATION can have a surprisingly valuable effect on plant efficiency. Staff picnics like this help employees to see each other as they are, removed from workaday pressures.





"THE AUTOCRAT OF THE BREAKFAST TABLE"

is the housewife shopper, so far as Wilsil is concerned. Consumer preferences compel every producer of goods and services to maintain and improve whatever he makes for market.

That is why Wilsil makes a continuing study of means to improve its products and their merchandising.

TOTAL CANADA HOG GRADINGS

| CALENDAR YEAR | EASTERN CANADA | WESTERN CANADA | TOTAL |
|---------------|----------------|----------------|-----------|
| 1928 | 1,699,184 | 1,140,966 | 2,840,150 |
| 1929 | 1,491,889 | 1,230,999 | 2,722,888 |
| 1930 | 1,228,871 | 1,111,865 | 2,340,736 |
| 1931 | 1,329,268 | 1,326,012 | 2,655,280 |
| 1932 | 1,555,697 | 1,586,173 | 3,141,870 |
| 1933 | 1,556,807 | 1,628,397 | 3,185,204 |
| 1934 | 1,324,634 | 1,713,521 | 3,038,155 |
| 1935 | 1,360,801 | 1,608,510 | 2,969,311 |
| 1936 | 1,879,392 | 1,866,106 | 3,745,498 |
| 1937 | 2,125,731 | 1,800,579 | 3,926,310 |
| 1938 | 1,989,911 | 1,249,887 | 3,239,798 |
| 1939 | 2,082,490 | 1,618,571 | 3,701,061 |
| 1940 | 2,797,458 | 2,652,168 | 5,449,626 |
| 1941 | 2,853,793 | 3,362,414 | 6,216,207 |
| 1942 | 2,473,843 | 3,754,320 | 6,228,163 |
| 1943 | 2,656,066 | 4,491,480 | 7,147,546 |
| 1944 | 3,078,011 | 5,588,419 | 8,666,430 |
| 1945 | 2,484,192 | 3,362,037 | 5,846,229 |
| 1946 | 2,346,455 | 2,088,995 | 4,435,450 |
| 1947 | 2,901,597 | 1,854,374 | 4,755,971 |
| 1948 | 2,935,039 | 1,832,821 | 4,767,860 |
| 1949 | 2,942,497 | 1,486,758 | 4,429,255 |
| 1950 | 3,239,133 | 1,536,424 | 4,775,557 |
| 1951 | 3,290,160 | 1,604,382 | 4,894,542 |
| 1952 | 4,304,827 | 2,393,815 | 6,698,642 |

