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WILSIL
LIMITED

MEAT PACKERS
MONTREAL

Annual Report

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WILSIL LIMITED

Annual Report

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M E A T P A C K E R S • M O N T R E A L , C A N A D A



DIRECTORS

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

W I L S I L L I M I T E D 1 2 3 9 M I L L S T R E E T , M O N T R E A L

OFFICERS

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

D I R E C T O R S ' R E P O R T

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

For year ended December 29th, 1951

April 7th, 1952

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 December 29th, 1951.

The Net Profit, after providing for Income Taxes and Depreciation, amounted to \$189,250.

Four quarterly dividends of 30c. 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>
1941	413,795	46,290	175,000	192,505	1.42
1942	376,851	47,230	147,209	182,412	1.34
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

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

PLANT | The Company's Plant has been maintained in excellent operating condition. A modern Animal Casing Cleaning Department was installed during the year, and we have found a ready market for our production.

RECEIPTS OF LIVESTOCK | The Hog Gradings for 1951 for all Canada totalled 4,894,542 against 4,775,557 in 1950, an increase of 118,985. The Province of Quebec's share of the increase was 34,189.

CATTLE AND CALVES | During 1951, despite U.S. Control Regulations on U.S. live cattle purchases and retail selling, Canadian Cattle producers obtained higher prices in each month of the year than in 1950. Taken in quarterly month review, the increase registered as follows:

January to March, inclusive, up \$8.69 per 100 lbs. of Good Quality Steers.

April to June, inclusive, up \$7.50 per 100 lbs. of Good Quality Steers.

July to September, inclusive, up \$5.25 per 100 lbs. of Good Quality Steers.

and

October to December, inclusive, up \$6.60 per 100 lbs. of Good Quality Steers.

This makes the Gross Average price \$32.60 per 100 lbs., live, against \$24.74 in 1950. The highest price was in the last month of the year, December, when Good Steers reached \$34.12, an unwarranted price, in view of the fact that U.S. markets, which usually regulated Canadian prices were all lower and the by-product prices of Hides and Tallow had taken a substantial drop in value. This brought dressed beef prices to an all-time high and had the effect of reducing consumer demand and had a detrimental effect on Packers' marginal returns.

Exports of live Canadian cattle, calves and dairy cattle fell off considerably in 1951, being 222,513 head against 447,302 in 1950. On the other hand, dressed beef and veal and boneless beef and veal at 91,033,846 pounds showed a large increase over 1950.

Total Beef Gradings in all Canadian plants was 1,149,789 in 1951, against 1,284,684 in 1950. Calf slaughtering at all Canadian plants was 583,718 against 773,205 in 1950, a decrease of 24.5%. Calf prices kept in line with Cattle and topped all previous years.

CATTLE POPULATION

Because of a less Cattle and Calf killing and a heavy demand for feeder cattle in 1951, it would look as if the cattle population is now on the increase. In June 1951, Government statistics estimate 9,330,000 against 9,045,000 in 1950, but yet below the 1945 figure of 10,759,000. With an increased Canadian population and a U.S. market ready to absorb any surplus, Canada requires a much larger increase in Cattle. It is to be hoped Western and Eastern feeders will recognize this necessity and show a large increase this year. We would like to see the farmers of the Province of Quebec get into the picture. They have one of the best markets at their door with demand increasing yearly and yet the Province has to rely on the Western Provinces and Ontario for the supply of good beef cattle.

SHEEP AND LAMBS

Sheep and Lambs continue their yearly falling off. The inspected killings for 1951 being 438,518 against 521,089 in 1950 and 629,738 in 1949. Lambs reached record prices last year. Consumers figured the price too high for them, and there has been a considerable falling off of demand, preference being given to less expensive meats. Export to the U.S. amounted to 2,698,780 lbs., against 2,583,229 in 1950. Imports of considerable quantities of Lamb and Mutton are arriving from Australia and New Zealand and this competition coupled with the fact that Wool having fallen in price, Lamb pelts have taken a heavy slump, this must bring down Canadian lamb costs. This will be beneficial all round, provided we get an increase instead of another decrease in production

BY-PRODUCTS

The markets for Hides and Tallow, our principal by-products, were very strong and in good demand during the first few months of the year. About the middle of the year, the market started to decline with few rallies and reached very low levels in the latter part of the year.

LABOUR

Plant labour relations were excellent throughout the year. A blood donors' clinic, sponsored by the Union, the Wilsil Social Club and Management, was an outstanding success, and a second clinic, also very successful, was held in January of this year. The Plant Safety Committee are to be congratulated on an outstanding job of accident prevention.

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.

ASSETS

CURRENT ASSETS:

Cash	\$ 358,444.23	
Accounts receivable, less reserve	1,792,301.67	
Inventories of products, materials and supplies at the lower of cost or market	2,178,507.17	
	<hr/>	\$4,329,253.07

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	1,982,289.94	
Less: Depreciation reserve	1,128,447.17	
	<hr/>	853,842.77

DEFERRED ASSETS AND PREPAID EXPENSES:

Balance of sale price of property (due 1952-1956)	16,250.00	
Deposits	3,870.00	
Prepaid expenses	37,198.68	
	<hr/>	57,318.68

GOODWILL 1.00

\$5,240,415.52

Signed on behalf of the Board:

A. R. DUCKETT, *Director.*

HENRY MacEWAN, *Director.*

LIMITED

ARY COMPANIES

HEET AS AT DECEMBER 29, 1951

LIABILITIES

CURRENT LIABILITIES:

Bank overdraft	\$1,079,493.09	
Accounts payable and accruals.	425,938.40	
Provision for income taxes.	109,185.06	
Dividend payable January 2, 1952	40,710.00	
	<hr/>	\$1,655,326.55

RESERVE FOR INVENTORIES		100,000.00
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CAPITAL STOCK:

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

EARNED SURPLUS — statement attached		2,458,088.97
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\$5,240,415.52

Submitted with our accompanying Report dated March 25, 1952.

P. S. ROSS & SONS,
Chartered Accountants.

MONTREAL, QUE.

WILSIL LIMITED

AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS

FOR THE FIFTY-TWO WEEK PERIOD ENDED DECEMBER 29, 1951

Profit from operations, before providing for depreciation and taxes on income		\$ 512,591.26
Deduct: Provision for depreciation	\$ 118,274.18	
Provision for income taxes	205,067.40	
	<hr/>	323,341.58
Net profit for the year		\$ 189,249.68
Surplus, December 30, 1950		2,430,390.06
Profit on disposal of fixed assets		1,289.23
		<hr/>
		\$2,620,928.97
Dividends on capital stock of Wilsil Limited 135,700 shares at \$1.20		162,840.00
		<hr/>
Surplus, December 29, 1951		<u>\$2,458,088.97</u>

March 25, 1952

A U D I T O R S ' R E P O R T | T O T H E S H A R E H O L D E R S

Wilsil Limited,
Montreal, Que.

We have examined the consolidated balance sheet of Wilsil Limited and its subsidiaries as at December 29, 1951 and the related statement of profit and loss and surplus for the fifty-two 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. Other independent auditors have certified the financial statements of the Company's Newfoundland branch which have been incorporated in the accompanying financial statements on the basis of the statements so certified.

In our opinion, based on our examination and upon the certificate of the other independent auditors referred to above, 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 December 29, 1951 and the results of their operations for the fifty-two 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.

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

TOTAL
CANADA
HOG
GRADINGS



