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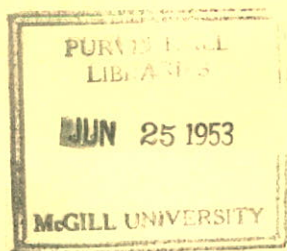
WILSIL LIMITED

BEEF & PORK
PACKERS
M O N T R E A L

Annual Report

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Wilsil Frankfurter Department where millions of "Franks" are banded and packaged.



WILSIL

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

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, LL.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

DIRECTORS' REPORT

TO THE SHAREHOLDERS

For Year Ended December 30th, 1950

April 9th, 1951

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 30th, 1950.

The Net Profit, after providing for Income Taxes and Depreciation, amounted to \$213,804.

Four quarterly dividends of 25c each were paid during the year, amounting to \$135,700.

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.

	OPERATING PROFIT	DEPRECIATION	GROSS INCOME TAX	REFUND- ABLE PORTION	NET PROFIT	EARNED PER SHARE
1939	\$402,629	\$ 36,683	\$ 66,109	—	\$299,837	\$2.21
1940	379,128	39,581	137,000	—	202,547	1.49
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	299,680	\$26,622	231,995	1.70
1946	609,096	54,817	310,587	262	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

Your Directors, being of opinion that as more normal trading conditions have been established in the industry it is not necessary to maintain the Inventory Reserve at the 1949 figure, have transferred \$500,000.00 to the Earned Surplus Account. Income taxes had already been paid as reserve was accumulated.

Having given due consideration to the Company's financial position, your Directors increased the Quarterly Dividend, payable 1st April, 1951, to 30c per share.

PLANT

The Company's plant has been maintained in excellent operating condition, repairs and improvements having been made when required.

RECEIPTS OF LIVE STOCK

The hog gradings for the past year for all Canada give a total of 4,775,557 against 4,429,255 in 1949, an increase of 346,302 Hogs. The Province of Quebec's share of the increase was 169,812 — the largest of any Province. Your Company's killings reflected its share of the increase. Due to the fact that Cattle, Veal and Lamb prices were at a record high, the demand for pork products was keen and live prices reacted upward to the demand.

CATTLE AND CALVES

Live Cattle and Calf prices reached an all-time high in 1950. Strong U.S. demand for Canadian Cattle and strong, heavy domestic buying had a dual influence in record prices being obtained by producers. Exports to the U.S. of Beef and Dairy Cattle and Calves increased in 1950, being 447,302 against 357,730 in 1949. Canada's Western Provinces furnished the largest percentage of the increase. On the other hand, shipments of Dressed Beef and Veal and Boneless Beef and Veal were down; 1950's shipments amounted to 75,121,541 lbs., against 88,469,826 lbs. in 1949. Your Company's shipments to the U.S. were on a satisfactory scale and on a remunerative basis.

The total Beef Cattle Grading in all Canadian Plants in 1950 was 1,284,684 head against 1,439,489 in 1949, a reduction of 10.7%.

CATTLE POPULATION

The Canadian Cattle population as at June 1950 again shows depleted stocks, the Western Provinces particularly noticeable. If the downward trend persists as it has since the U.S. Market was made available for our Cattle, it will cause a serious shortage of supplies at certain seasons of the year for our own domestic market. For the future, Canada will require to heavily increase its Cattle population to supply the domestic market's increasing demands, which must necessarily result in relation to its increasing population.

Calf Slaughtering at the plant shows an increase over 1949.

SHEEP AND LAMBS

Sheep and Lambs continue to show a considerable falling off for the past year. The inspected slaughter for 1950 was 521,089 head against 629,783 in 1949. This decrease has been going on steadily for some years. Why this should be so is hard to explain. Wool is at a high price, resulting in producers getting high prices for their stock. There is money in Lambs for producers. In the U.S. their Sheep and Lamb Slaughter was 11,800,000 head against Canada's 521,000. Some strong effort on the part of Canadian farmers is necessary to put Sheep and Lambs back into production.

BY-PRODUCTS

Hides and By-products of the industry sold at steady remunerative prices.

LABOUR

Plant Labour relations have remained excellent throughout the year.

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

The Plant Safety Committee again comes in for commendation for work well done. The lost-time accidents are down to an all-time minimum and considering the nature of our business, the accidents have been practically negligible.

ON BEHALF OF THE DIRECTORS,

F. K. MORROW,
Chairman of the Board.

A. R. DUCKETT,
President.

WILSIL I

AND SUBSIDIA

CONSOLIDATED BALANCE SHEET

ASSETS

CURRENT ASSETS:

Cash	\$ 330,227.41	
Accounts receivable, less reserve	1,644,802.68	
Inventories of products, materials and supplies — quantities, condition and prices determined and certified by the management and valued at the lower of cost or market.	1,760,187.33	
	<hr/>	\$3,735,217.42
Refundable portion of excess profits tax.		26,884.49

FIXED ASSETS:

Buildings, machinery and equipment at depreciated replacement value as certified by Canadian Ap- praisal Company, Limited, December 18, 1928, and subsequent additions at cost.	1,823,716.66	
Less: Depreciation reserve	1,040,656.70	
	<hr/>	783,059.96

DEFERRED ASSETS AND PREPAID EXPENSES:

Balance of sale price of property (due 1951-1956)	20,000.00	
Deposits	4,982.30	
Prepaid expenses	44,026.61	
	<hr/>	69,008.91
Goodwill		1.00
		<hr/>
		<u>\$4,614,171.78</u>

Signed on behalf of the Board:
A. R. Duckett, Director.
H. Gillham, Director.

LIMITED

RY COMPANIES

ET AS AT DECEMBER 30, 1950

LIABILITIES

CURRENT LIABILITIES:

Bank overdraft	\$629,283.56	
Accounts payable and accruals	296,230.27	
Provision for income taxes	97,342.89	
Dividend payable January 3, 1951	33,925.00	
	<hr/>	\$1,056,781.72

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 2,430,390.06

\$4,614,171.78

Submitted with our accompanying Report dated March 22, 1951.

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 30, 1950

Profit from operations, before providing for depreciation and taxes on income	\$ 477,969.36
Deduct: Provision for depreciation	\$110,465.06
Provision for income taxes	153,700.00
	<hr/>
	264,165.06
Net profit for the year	213,804.30
Surplus, December 31, 1949	1,830,111.77
Profit on disposal of fixed assets	22,173.99
Transfer from Inventory Reserve	500,000.00
	<hr/>
	\$2,566,090.06
Dividend on capital stock of Wilsil Limited 135,700 shares at \$1.00 . .	135,700.00
	<hr/>
Surplus, December 30, 1950	<u><u>\$2,430,390.06</u></u>

March 22, 1951.

AUDITORS' REPORT
TO THE SHAREHOLDERS

Wilsil Limited,
Montreal, Que.

We have made an examination of the accompanying consolidated balance sheet of Wilsil Limited and its subsidiary companies as at December 30, 1950 and the related consolidated statement of profit and loss and surplus for the fifty-two week period ended that date. In connection therewith we have examined or tested accounting records of the companies and other supporting evidence but we did not make a detailed audit of the transactions. We have received all the information and explanations we have required. 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.

We report that, 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 consolidated statement of profit and loss and surplus are properly drawn up so as to exhibit a true and correct view of the affairs of the companies at December 30, 1950 and the result of their operations for the period ended 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.

*TOTAL
CANADA
HOG
GRADINGS*

<i>CALENDAR YEAR</i>	<i>EASTERN CANADA</i>	<i>WESTERN CANADA</i>	<i>TOTAL</i>
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



*Automatic packaging
and filling machines
for Wilsil Lard and Shortening.*



