

*Corp  
Stock*

# BLUE RIBBON CORPORATION LIMITED



## CONSOLIDATED BALANCE SHEET

PURVIS HALL AT 31<sup>ST</sup> DECEMBER, 1950  
LIBRARY AND CONSOLIDATED SURPLUS ACCOUNT

APR 24 1951

McGILL UNIVERSITY



# DIRECTORS' REPORT

Winnipeg, Canada, March 22, 1951.

To THE SHAREHOLDERS OF  
BLUE RIBBON CORPORATION LIMITED:

Your Directors submit the Consolidated Balance Sheet of the Company and Consolidated Statement of Earned Surplus and Profit and Loss for the year ended December 31, 1950.

The Consolidated Profit after charging all expenses, including depreciation on fixed assets, amounted to \$248,967. Provision has been made for income taxes estimated at \$100,000, giving a Consolidated Net Profit of \$148,967 which has been transferred to Earned Surplus Account.

Raw material and operating costs have continued to rise but have been largely offset by encouraging increases in sales volume.

The regular quarterly dividends were declared and paid on the 5% Cumulative Convertible Redeemable Participating Preferred stock.

Having regard to market conditions prevailing at the close of the fiscal year it was considered desirable to increase the reserve against future decline in inventory values by \$70,000. An amount of \$50,000 has also been appropriated to reserve for depreciation, in addition to the normal depreciation on fixed assets charged against the earnings of the year. This will bring the reserve closer to the cumulative depreciation allowed by the Tax Department.

It is with deep regret that the Directors record the death in November, 1950, of Mr. Joseph Ball, President, and acknowledge with gratitude over forty years of loyal and devoted service.

Since the close of the fiscal year the vacancy caused by the death of our President has been filled, and the Board of Directors has been reconstituted as annexed hereto.

The Directors again express their grateful appreciation of the support and efficient co-operation of all the employees of the Company.

Submitted on behalf of the Board of Directors.

F. G. ARNOLD,

*Vice-President*

CONSOLIDATED BALANCE SHEET  
DECEMBER 31, 1951

ASSETS

Current:		
Cash on hand and in transit.....	\$	31,745.59
Accounts receivable (less reserve for doubtful accounts).....		1,055,271.22
Inventories of merchandise and supplies as certified to by the management, determined on the basis of physical count and valued at the lower of laid down cost or market.....	\$1,964,949.78	
Less reserve against future decline in inventory values.....	200,000.00	
		1,764,949.78
Prepaid expenses—unexpired insurance, advertising, supplies, etc.....		49,529.31
Refundable portion of excess profits taxes.....		9,286.58
		<u>\$2,910,782.28</u>
Stocks and bonds of customer companies, less reserve.....		6,762.83
Fixed:		
Land, buildings, machinery and equipment:		
In Western Canada—as appraised by Sterling Appraisal Co. Ltd., 1928.		
In Ontario—as appraised by Wesley E. Barker and by Canadian Appraisal Co. Ltd., 1924.		
Plus subsequent additions at cost.....	\$1,608,503.50	
Less reserve for depreciation.....	832,163.44	
		776,340.06
Trade-marks, patent rights and goodwill.....		1.00
		<u><u>\$3,693,886.17</u></u>

Approved on behalf of the Board  
J. A. F. McKAY,  
F. G. ARNOLD, Directors.

AUDITORS' REPORT

We have examined the consolidated balance sheet of Blue Ribbon Corporation and consolidated statement of earned surplus and profit and loss for the year ended on that date without making a detailed audit of the transactions, examined or tested the accounting records.

We report that, in our opinion, the above consolidated balance sheet and accounts show a true and correct view of the state of the companies' affairs at December 31, 1951, and the explanations given to us and as shown by the books of the companies.

Winnipeg, Manitoba, February 10, 1951.

**BALANCE SHEET**  
R 31, 1950

**LIABILITIES**

Current:

Bank overdrafts.....	\$ 245,257.31	
Bank loan—demand.....	290,000.00	
Accounts and bills payable.....	440,116.02	
Provision for taxes on income.....	82,904.04	
	<hr/>	\$1,058,277.37

Capital stock:

Authorized:

27,207 shares of 5% cumulative convertible  
redeemable participating preferred stock  
of \$50.00 each.

150,000 common shares of no par value.

Issued and outstanding:

17,057 preferred shares of \$50.00 each.....	\$ 852,850.00
65,000 common shares of no par value.....	859,226.11

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\$1,712,076.11

Earned Surplus.....	923,532.69	
	<hr/>	2,635,608.80
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		\$3,693,886.17

Note: There are commitments for forward delivery of Sterling  
Exchange at cost of \$412,520.00.

**TO THE SHAREHOLDERS**

Limited and its wholly owned subsidiaries as at December 31, 1950 and the related con-  
ate. In connection therewith we made a general review of the accounting methods and,  
records of the companies. We received all the information and explanations we required.  
panying statement of earned surplus and profit and loss have been drawn up so as to  
50 and of the results of their operations for the year according to the best of our infor-

(Signed) CLARKSON, GORDON & CO.  
Chartered Accountants.

# BLUE RIBBON CORPORATION LIMITED

AND SUBSIDIARY COMPANIES

## CONSOLIDATED STATEMENT OF EARNED SURPLUS AND PROFIT AND LOSS

FOR THE YEAR ENDED DECEMBER 31, 1950

Balance at credit December 31, 1949.....	\$ 936,839.65	
Add adjustment affecting prior years' income tax	367.76	
	<hr/>	\$ 937,207.41
<i>Add:</i>		
Profit for year ended December 31, 1950 before depreciation and taxes on income but after providing \$40,750.00 for salaries of executive officers of the company and its subsidiaries....	\$523,191.52	
<i>Less:</i>		
Depreciation—buildings, plant and automotive equipment.....	74,223.72	
	<hr/>	\$248,967.80
Provision for taxes on income.....	100,000.00	
	<hr/>	148,967.80
		<hr/>
		\$1,086,175.21
<i>Deduct:</i>		
Four quarterly dividends on preference stock .....	\$ 42,642.52	
Appropriation to inventory valuation reserve .....	70,000.00	
Appropriation to reserve for depreciation on fixed assets.....	50,000.00	
	<hr/>	162,642.52
Balance at credit December 31, 1950.....		<hr/> <hr/>
		\$ 925,532.69





## Blue Ribbon Limited

Winnipeg      Toronto      Vancouver  
Calgary              Edmonton

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Manufacturing and Merchandising  
Tea, Coffee, Baking Powder, Extracts,  
Jelly Powders, Chocolate,  
Cocoa, Spices.

# BLUE RIBBON CORPORATION LIMITED

## BOARD OF DIRECTORS

J. A. F. McKay - - S. W. Hoare  
F. G. Arnold - - - W. T. D'Arcy Ellis  
J. B. Brydon - - - R. J. McCance  
K. C. Weiss

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President - - - - - J. A. F. McKay  
Vice President - - - F. G. Arnold  
Secretary-Treasurer - - K. C. Weiss

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### Bankers

The Canadian Bank of Commerce

### Transfer Agent

The Toronto General Trusts Corporation

### Registrar

National Trust Company, Limited

### Auditors

Clarkson, Gordon & Co.