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# Blue Ribbon

CORPORATION LIMITED



ANNUAL REPORT  
AND  
CONSOLIDATED BALANCE SHEET

AT 30th JUNE, 1954

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# Blue Ribbon Corporation Limited

## BOARD *of* DIRECTORS

S. W. HOARE      K. C. WEISS      J. B. BRYDON  
W. T. KENNEDY   G. T. F. HILLIER   L. G. KEITH

— — —

### *President*

S. W. HOARE

### *Vice-President and Secretary-Treasurer*

K. C. WEISS

— — —

### *Bankers*

THE CANADIAN BANK OF COMMERCE

### *Transfer Agent*

THE TORONTO GENERAL TRUSTS CORPORATION

### *Registrar*

NATIONAL TRUST COMPANY, LIMITED

### *Auditors*

CLARKSON, GORDON & Co.

## DIRECTORS' REPORT

Winnipeg, September 27, 1954.

To THE SHAREHOLDERS OF  
BLUE RIBBON CORPORATION LIMITED:

Your Directors submit the Consolidated Balance Sheet of the Company and Consolidated Statements of Earned Surplus and Profit and Loss for the year ended June 30th, 1954.

The Statement of Consolidated Profit and Loss shows a net loss of \$16,527 for the year after charging all expenses including depreciation amounting to \$120,118 on Fixed Assets. The net loss for the year has been charged to Earned Surplus Account.

During the year the regular quarterly dividends were declared and paid on the 5% Cumulative Convertible Redeemable Participating Preferred Stock.

The year just closed has proved to be one of considerable difficulty. The unprecedented rise in coffee market prices, resulting in considerable consumer resistance, adversely affected coffee sales across Canada. Coffee represents a major portion of your Company's sales volume. Violent fluctuations in other commodity markets have further added to the difficulties of this year's trading operations.

Having regard to the instability of the coffee market, your Directors considered it desirable to increase the reserve against a future decline in inventory values by an appropriation of \$150,000 from Earned Surplus Account.

Submitted on behalf of the Board of Directors.

S. W. HOARE,

*President.*

Blue Ribbon Co  
AND SUBSIDIARIES  
(Incorporated under the

**CONSOLIDATED**

June 30, 1954

ASSETS

CURRENT:

Cash .....	\$ 9,310
Accounts receivable, less allowance for doubtful accounts .....	765,285
Recoverable income taxes (estimated) .....	4,384
Inventories of merchandise and supplies as certified by the management, determined on the basis of physical count and valued at the lower of laid down cost or market .....	3,571,826
Prepaid expenses .....	130,454

\$4,481,259

Investment in shares of customer company, less allowance .....	5,813
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FIXED:

Land, buildings, machinery and equipment— In Western Canada—as appraised by Sterling Appraisal Co. Ltd.—1928 In Ontario—appraised by Wesley E. Barker and by Canadian Appraisal Co. Ltd.—1924 Plus subsequent additions at cost .....	\$1,978,163
<i>Less</i> accumulated depreciation .....	1,084,987
	<u>893,176</u>

Trade-marks, patent rights and goodwill .....	1
	<u>\$5,380,249</u>

On behalf of the Board,

S. W. HOARE, Director  
K. C. WEISS, Director

To the Shareholders of  
Blue Ribbon Corporation Limited.

AUDITOR

We have examined the consolidated balance sheet of Blue Ribbon Corporation of consolidated profit and loss and consolidated earned surplus for the year ended September 30, 1954, as required. Our examination included a general review of the accounting procedures considered necessary in the circumstances.

In our opinion the accompanying consolidated balance sheet and statement of profit and loss drawn up so as to exhibit a true and correct view of the state of the affairs of the Corporation as at the date ended on that date, according to the best of our information and the explanation

Winnipeg, Canada, September 7, 1954.

# Corporation Limited

RY COMPANIES

(Companies Act, Canada)

## BALANCE SHEET

1954

### LIABILITIES

#### CURRENT:

Bank overdraft . . . . .	\$1,200,320
Accounts and bills payable . . . . .	<u>1,335,318</u>
	\$2,535,638

#### CAPITAL STOCK:

##### Authorized—

27,207 shares of 5% cumulative convertible redeemable participating preferred stock of \$50.00 each . . . . .	<u>\$1,360,350</u>
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150,000 common shares of no par value

##### Issued and fully paid—

17,057 preferred shares of \$50.00 each . . . . .	\$ 852,850
65,000 common shares of no par value . . . . .	859,226

\$1,712,076

#### RESERVES AND SURPLUS:

Reserve against future decline in inven- tory values . . . . .	\$675,000
Reserve for replacement of fixed assets . .	150,000
Surplus arising from the sale of fixed assets	<u>1,475</u>
	826,475
Earned surplus . . . . .	<u>306,060</u>
	<u>2,844,611</u>
	<u>\$5,380,249</u>

#### CONTINGENT LIABILITIES:

(a) Commitments for forward delivery of Sterl- ing and U.S. dollar exchange at cost of . .	\$ 650,649
(b) Employees' pension plan—balance of contri- butions in respect of past service . . . . .	54,271

### REPORT

Corporation Limited and subsidiary companies as at June 30, 1954 and the statements  
thereon and have obtained all the information and explanations we have  
required and such tests of accounting records and other supporting evidence as we

deemed necessary. The consolidated profit and loss and consolidated earned surplus are properly  
represented by the accounts of the companies as at June 30, 1954 and the results of their operations for the year  
ended are given to us and as shown by the books of the companies.

(Signed) CLARKSON, GORDON & CO.,

Chartered Accountants.

Blue Ribbon Corporation Limited  
AND SUBSIDIARY COMPANIES

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**STATEMENT OF CONSOLIDATED PROFIT AND LOSS**

For the Year Ended June 30, 1954

Operating profit for the year before deducting the undernoted items . . . . .	\$158,088
DEDUCT:	
Depreciation—land, buildings, machinery and equipment . . . . .	\$120,118
Remuneration of directors and officers . . . . .	52,369
Legal fees . . . . .	2,128
	<hr style="width:10%; margin-left:auto; margin-right:0;"/> 174,615
Loss for the year carried to statement of consolidated earned surplus . . . . .	<hr style="width:10%; margin-left:auto; margin-right:0;"/> <u>\$ 16,527</u>

**STATEMENT OF CONSOLIDATED EARNED SURPLUS**

For the Year Ended June 30, 1954

Balance at credit June 30, 1953 . . . . .	\$510,029
Reduction of 1953 income taxes as a result of the loss in 1954 . . . . .	5,200
	<hr style="width:10%; margin-left:auto; margin-right:0;"/> \$515,229
DEDUCT:	
Dividends declared on preferred shares . . . . .	\$ 42,642
Appropriation to reserve against future decline in inventory values . . . . .	150,000
Loss for the year transferred from statement of consolidated profit and loss . . . . .	16,527
	<hr style="width:10%; margin-left:auto; margin-right:0;"/> 209,169
Balance at credit June 30, 1954 . . . . .	<hr style="width:10%; margin-left:auto; margin-right:0;"/> <u>\$306,060</u>

# Blue Ribbon Limited

## OFFICES

WINNIPEG . . . . .	<i>334 McDermot Avenue</i>
TORONTO . . . . .	<i>381 College Street</i>
VANCOUVER . . . . .	<i>1043 West Hastings Street</i>

## PLANTS

WINNIPEG . . . . .	<i>334 McDermot Avenue</i>
TORONTO . . . . .	<i>381 College Street</i>
EDMONTON . . . . .	<i>9908 — 65 Avenue</i>
VANCOUVER . . . . .	<i>1043 West Hastings Street</i>

## AGENTS

MONTREAL . . . . .	<i>Brooke Bond Canada Limited</i>
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## BUYING OFFICES

LONDON, ENGLAND

CALCUTTA AND COIMBATORE, INDIA

COLOMBO, CEYLON

KERICHO, KENYA

BATAVIA, JAVA

