## DOMINION MALTING COMPANY LIMITED

## Eighteenth Annual Report of the Directors

YEAR ENDED 31st JULY, 1945

#### TO THE SHAREHOLDERS:

Your Directors present herewith Financial Statements for the year ended 31st July, 1945, including the Balance Sheet, certified by your Auditors, Messrs. George A. Touche & Co., Chartered Accountants.

Profit and Loss Statement shows an operating profit of \$180,093.93, after providing for depreciation, at the regular rates, \$25,986,78, Interest on First Secured Bonds, \$3,967.65, and Directors' Fees, \$1,230.00. The amount of \$75,000.00 has been provided for estimated Income and Excess Profits Taxes; this amount has been computed at the rates in effect at 31st July, 1945. The net profit for the year, \$105,093.93, together with \$23,734.92, representing adjustments in respect to prior years has been transferred to Earned Surplus Account. Dividends accruing on Preferred Shares to 1st August, 1945, together with 80 cents per share on the Common Shares, have been paid and charged to Earned Surplus Account. The Balance remaining at the credit of this account is \$535,193.03, as compared with \$495,245.12 at the end of the previous fiscal year.

The Company commenced the year with very low stocks of malt on hand, but maintained maximum production throughout the year; shipments were therefore limited to the amount of malt produced, and were far short of the current demand. In order to increase our participation in domestic business and to prepare for the time when exports, principally to the United States and West Indies, are again possible, arrangements were made to increase the malting capacity from 1,350,000 bushels to 2,500,000 bushels. Construction on the addition to the plant was started as early as possible in the spring. Good progress has been made to date and it is expected the new plant will be in operation early in 1946.

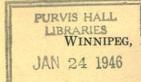
Estimated cost of additions to Plant and Equipment now under construction is shown in the Balance Sheet under Fixed Assets at \$1,160,250.00, the funds required to meet this cost were largely obtained through the issue of  $3\frac{1}{2}\%$  and  $3\frac{3}{4}\%$  bonds to the amount of \$850,000.00 and the issue of \$200,000.00 additional 5% Preferred Shares.

It is with deep regret that we have to advise you of the loss of Mr. C. C. Fields, a Director of this Company since its inception. His death occurred after the signing of the financial statement included in this report, and his loss will be keenly felt by the Company.

The thanks of the Board of Directors are extended to all employees for their efficient and loyal services during the past year.

On behalf of the Board of Directors,

T. H. RATHJEN,
President.



McGILL UNIVERSITY

WINNIPEG, MANITOBA, September 20th, 1945.

# DOMINION MALTING

BALANCE SHEET

#### ASSETS

CURRENT ASSETS:	16. 5		
Cash in The Royal Bank of Canada — Winnipeg			\$ 32,098.69
Dominion of Canada Bonds (Par Value \$1,097,500.00			
Market Value \$1,114,704.38)		\$1,111,536.71	
Interest Accrued thereon		3,991.09	1,115,527.80
Accounts Receivable			
Trade		\$ 287,410.70	
Employees' Victory Bond Accounts (secured)		1,389.20	288,799.90
Inventory of Barley, Malt in Process, Malt, Coal, etc., value basis of Cost or Market Value whichever is the determined and certified by responsible officers of the	lower, as		428,466.49
Prepaid Expenses			6,564.18
			\$1,871,457.06
INVESTMENT IN MARKETABLE SECURITIES:			
(Market Value \$24,562.50)			1,500.00
Memberships And Shares In Grain Trade Organizations:			
(Approximate Market Value \$7,915.00)			6,015.00
DEFERRED ACCOUNT RECEIVABLE — being estimated refundable	portion of		
Excess Profits Tax			1,500.00
FIXED ASSETS:	Cost	Reserve for Depreciation	
Building	\$ 363,349.99	\$160,727.85	
Temporary Storage Annex	19,319.50	11,591.70	
Machinery and Equipment	254,825.44	221,028.89	
Furniture and Fixtures	5,959.20	4,341.05	
Truck	2,897.00	2,897.00	
Estimated cost of additions to Plant and Equipment now under construction	1,160,250.00		
	\$1,806,601.13	\$400,586.49	1,406,014.64
LEASE			6,680.00
			0,080.00
DEFERRED CHARGE:			
Commission paid or accrued on sale of shares and other incidental to sale of bonds and shares			66,191.07
			\$3,359,357.77

To the Shareholders of

Dominion Malting Company Limited, Winnipeg, Manitoba.

AUDITORS

We have examined the books and accounts of Dominion Malting Company Limited for the year ended 31st July, 1 the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affa books of the Company.

Winnipeg, Manitoba, 31st August, 1945.

# G COMPANY LIMITED

AT 31st JULY, 1945

#### LIABILITIES AND CAPITAL

CURRENT LIABILITIES:		
Accounts Payable and Accrued Expenses		\$ 87,994.52
Estimated amount payable on completion of additions to Plant and		
Equipment		955,979.24
Provision for estimated Income and Excess Profits Taxes		64,244.55
First Secured Bonds maturing 1st May, 1946		42,500.00
Accrued Bond Interest		7,766.43
		\$1,158,484.74
FIRST SECURED BONDS:		
Authorized \$2,000,000.00		
Issued, Series A	\$850,000.00	
\$42,500.000 maturing on 1st May of each of the years 1946 to 1965 inclusive. Interest payable at 3½% per annum on bonds maturing to 1st May, 1955 and at 3¾% per annum on bonds maturing thereafter.		
Less: Bonds maturing 1st May, 1946 shown as Current Liability	42,500.00	807,500.00
Deferred Credit To Surplus — being estimated refundable portion of Excess Profits Tax — per contra		1,500.00
CAPITAL:		
Authorized for issuance		
12,500 5% Cumulative Redeemable Sinking Fund Preferred Shares of \$100.00 each.		
125,000 Common Shares of No Par Value.		
Issued and Fully Paid		
8,500 Preferred Shares	\$850,000.00	
66,800 Common Shares	6,680.00	856,680.00
EARNED SURPLUS: (per Statement III)		535,193.03
The Company is a defendant in a certain action pending in the Court of King's Bench of Manitoba in respect of which the Company		

Approved on behalf of the Board,

has received an agreement of indemnity.

T. H. RATHJEN, Director

G. S. SNELL, Director

\$3,359,357.77

#### ' REPORT

945 and we report that we have obtained all the information and explanations we have required and that, in our opinion, irs at 31st July, 1945, according to the best of our information and the explanations given to us, and as shown by the

# Dominion Malting Company Limited

### PROFIT AND LOSS STATEMENT For the Year Ended 31st July, 1945

### 25,986.78  Bond Interest	Income from the Company's Operations after meeting all expenses including Executive Salaries \$34,605.88 but before taking into account the items shown below		\$ 211,105.86
Bond Interest.   3,967.65   1,230.00   31,184.43	Less: Depreciation	\$ 25.986.78	\$ 211,278.36
Director's Fees			
Taxes	Director's Fees.	1,230.00	31,184.43
Taxes	OPERATING PROFIT, before providing for Income and Excess Profits		
NET PROFIT for the year ended 31st July 1945       \$ 105,093.93         Add: Adjustments re prior years       23,734.92         BALANCE transferred to Earned Surplus (Statement III)       \$ 128,828.85         STATEMENT OF EARNED SURPLUS         For the Year Ended 31st July, 1945         BALANCE at 31st July, 1944       \$ 495,245.12         Less: Dividends paid       \$ 2,324.69         On 7% Preferred Shares (now retired)       \$ 2,324.69         On 5% Preferred Shares       33,116.25         On Common Shares       53,440.00         88,880.94         406,364.18         Add: Balance transferred from Profit and Loss Account (Statement II)       128,828.85	the book was a series of the control		\$ 180,093.93
### Add: Adjustments re prior years	Less: Provision for estimated Income and Excess Profits Taxes		75,000.00
BALANCE transferred to Earned Surplus (Statement III)  STATEMENT OF EARNED SURPLUS For the Year Ended 31st July, 1945  BALANCE at 31st July, 1944  On 7% Preferred Shares (now retired) On 5% Preferred Shares On Common Shares  33,116.25 On Common Shares  406,364.18  Add: Balance transferred from Profit and Loss Account (Statement II)  \$ 128,828.85	는 . ''프, MOL 및 다양 등 전 독일 경기 등에 있다면 있다면 가장 보고 있다면 되었다.		\$ 105,093.93
STATEMENT OF EARNED SURPLUS For the Year Ended 31st July, 1945  BALANCE at 31st July, 1944 \$ 495,245.12  Less: Dividends paid On 7% Preferred Shares (now retired) \$ 2,324.69 On 5% Preferred Shares 33,116.25 On Common Shares \$ 33,116.25 Add: Balance transferred from Profit and Loss Account (Statement II) \$ 128,828.85	Add: Adjustments re prior years		23,734.92
### STATEMENT OF EARNED SURPLUS  For the Year Ended 31st July, 1945    Balance at 31st July, 1944	BALANCE transferred to Earned Surplus (Statement III)		\$ 128,828.85
Balance at 31st July, 1944			STATEMENT III
Less: Dividends paid       \$ 2,324.69         On 7% Preferred Shares (now retired)       \$ 33,116.25         On Common Shares       53,440.00       88,880.94         * 406,364.18         Add: Balance transferred from Profit and Loss Account (Statement II)       128,828.85	For the Year Ended 31st July, 19	45	
On 7% Preferred Shares (now retired)       \$ 2,324.69         On 5% Preferred Shares       33,116.25         On Common Shares       53,440.00       88,880.94         * 406,364.18         Add: Balance transferred from Profit and Loss Account (Statement II)       128,828.85	BALANCE at 31st July, 1944		\$ 495,245.12
On 5% Preferred Shares 33,116.25 On Common Shares 53,440.00 88,880.94  \$ 406,364.18  Add: Balance transferred from Profit and Loss Account (Statement II) 128,828.85	Less: Dividends paid		
On Common Shares		10 (5)	
\$ 406,364.18  Add: Balance transferred from Profit and Loss Account (Statement II) 128,828.85			
Add: Balance transferred from Profit and Loss Account (Statement II) 128,828.85	On Common Shares	53,440.00	88,880.94
Diameter 1 2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			\$ 406,364.18
BALANCE at 31st July, 1945 (per Statement I) \$ 535,193.03	Add: Balance transferred from Profit and Loss Account (Statement II)		128,828.85
	BALANCE at 31st July, 1945 (per Statement I)		\$ 535,193.03

#### DIRECTORS

T. H. RATHJEN, President
G. S. SNELL, Vice-President and General Manager
J. A. GAIRDNER
J. S. D. TORY, K.C.
R. H. WEBSTER
V. W. TRYON
D. A. THOMPSON