



Holt, Renfrew
& COMPANY LIMITED

ANNUAL REPORT

For the year ended January 31, 1950

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HOLT, RENFREW & COMPANY LIMITED
FURRIERS IN CANADA
FOR MORE THAN
112 YEARS

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THE DOMINION'S LEADING
SPECIALTY SHOPS

1

Also . . . Operator of its own Mink Ranch
in the Province of Quebec

HOLT, RENFREW & COMPANY LIMITED now have six
stores in Canada—Quebec City, opened in 1837; Toronto in 1889;
Montreal and Winnipeg in 1910; Ottawa in 1942; and Hamilton
in 1945.

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HOLT, RENFREW & COMPANY LIMITED

Head Office: 1300 SHERBROOKE ST. WEST
MONTREAL

Directors

G. HAROLD AIKINS, K.C.
GEORGE H. BEESTON
GEORGE B. FOSTER, K.C.
R. G. LIDDY
JOHN G. MCCONNELL
RT. HON. ARTHUR MEIGHEN, K.C., P.C.
PAUL NATHANSON
ALVIN J. WALKER
R. HOWARD WEBSTER

Officers

ALVIN J. WALKER
President and Managing Director

JOHN G. MCCONNELL
Vice-President

R. G. LIDDY
Secretary-Treasurer

Branches

QUEBEC — MONTREAL — TORONTO
WINNIPEG — OTTAWA — HAMILTON

THE 113th
Annual Report of the Board of Directors
of
HOLT, RENFREW & CO., LIMITED

for the year ended January 31, 1950
to be submitted to the Shareholders of the Company
at the Annual Meeting to be held on April 25, 1950.

The Directors have pleasure in presenting herewith the Consolidated Annual Report and Financial Statements of your Company and its wholly owned subsidiary, Amcan Furs Limited, for the year ended January 31, 1950, together with the Certificate of the Auditors, Price, Waterhouse & Co.

Net Income for the period under review, after taxes, amounts to \$217,390.41. Inventories which are in good assortment have been taken into the accounts at values placed upon them by the Management; the Reserves for Accounts Receivable, we believe to be ample; Working Capital is increased approximately \$455,000.

Income Tax Assessments covering the years ended January 31, 1941, to January 31, 1949, inclusive, have been issued by the Federal Income Tax Department and are reflected in the Balance Sheet and Consolidated Earned Surplus Account.

The Management takes this opportunity to express its warm thanks to all who contributed to its accomplishments during the year. Your Company appreciates the confidence of its Shareholders, its Customers and its Employees who, between them, helped to make 1949 a year of further progress.

Respectfully submitted on behalf of the Board of Directors,

ALVIN J. WALKER
President and Managing Director.

CONSOLIDATED BALANCE SHEET

Assets

CURRENT ASSETS:

Cash on hand and with bankers	\$ 61,774.90	
Trade and other accounts receivable, less reserve	947,833.99	
Merchandise on hand valued at the lower of cost or market in accordance with the company's usual practice	868,960.49	
Prepaid taxes, insurance, etc., including deposits with insurance underwriters	87,610.89	
		<u>\$1,966,180.27</u>

CAPITAL ASSETS:

Land and buildings	\$ 930,383.76	
Less: Reserve for depreciation	184,302.48	
		<u>\$ 746,081.28</u>
Furniture and fixtures, automob- iles, etc.	\$ 411,350.09	
Less: Reserve for depreciation	294,398.85	
		<u>116,951.24</u>

GOODWILL

	\$ 863,032.52	
	772,453.79	
		<u>1,635,486.31</u>

Note: Canadian Appraisal Company Limited has reported the present value of land, buildings, furniture and furnishings, etc. at January 31 1950, based upon appraisals as of 1935 to 1945 and including additions to date, to be \$2,319,753.35

OTHER ASSETS:

Refundable portion of excess profits tax due after one year	\$ 138,974.81	
Securities received in settlement of indebtedness of Motty Eitington Inc. and associated companies, stated at the written down value of the accounts receivable from these companies	135,980.29	
Deferred account receivable, less amount written off, recoverable out of future profits of the debtor company	61,695.05	
Alterations to premises — unamortized balance	122,781.86	
		<u>459,432.01</u>
		<u><u>\$4,061,098.59</u></u>

Approved on behalf of the Board:

ALVIN J. WALKER, *Director.*
R. G. LIDDY, *Director.*

SHEET — JANUARY 31 1950

Liabilities

CURRENT LIABILITIES:	
Demand loans from bank	\$ 635,000.00
Accounts payable and accrued liabilities	573,081.39
Prepaid storage, interest and sundry credit balances	105,684.39
Income and other taxes	154,635.31
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	\$1,468,401.09
5% FIRST MORTGAGE BONDS—July 1 1967	
\$ 414,000.00	
<i>Less:</i> Sinking Fund payment due July 1 1950, included with current liabilities	10,000.00
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	404,000.00
CAPITAL STOCK AND SURPLUS:	
7% Cumulative Preferred—	
Authorized and issued—	
10,000 shares of \$100.00 each	\$1,000,000.00
<i>Note:</i> Preferred dividends in arrears amount to \$857,500.00	
Common—	
Authorized and issued—	
10,000 shares of \$100.00 each	1,000,000.00
Earned surplus, per statement attached	188,697.50
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	2,188,697.50

\$4,061,098.59

Submitted with our Report to the Shareholders dated April 13 1950.

PRICE, WATERHOUSE & CO.
Auditors.

HOLT, RENFREW & CO., LIMITED

AND SUBSIDIARY COMPANY

Consolidated Statement of Profit and Loss for the year ending January 31 1950

PROFIT FROM OPERATIONS:

After deducting selling and general expenses and providing for bad debts, but before deducting the undernoted items \$473,793.41

Deduct:

Executive remuneration	\$ 63,040.08	
Directors' fees	4,640.00	
Interest on first mortgage bonds	20,908.33	
Depreciation—		
Buildings	\$ 30,617.02	
Furniture and fixtures, automobiles, etc.	30,609.06	
		61,226.08
Amounts written off alterations to premises	23,588.51	
Provision for taxes on income	83,000.00	
		<u>256,403.00</u>

Net profit for the year transferred to earned surplus \$217,390.41

Consolidated Statement of Earned Surplus for the year ending January 31 1950

Balance, January 31 1949 \$539,091.89

Deduct: Adjustments arising from final assessments of Dominion taxes on income for fiscal years 1941-1949 inclusive—

Portion of claim disallowed	\$388,099.94
Additional taxes in respect of fiscal years 1941-1949 inclusive	270,695.01
	<u>\$658,794.95</u>

Less: Refundable portion of excess profits tax as at January 31 1949 91,010.15

567,784.80
(\$ 28,692.91)

Add: Net profit for the year, as above 217,390.41

Balance, January 31 1950 \$188,697.50

TO THE SHAREHOLDERS OF
HOLT, RENFREW & CO., LIMITED:

We have examined the consolidated balance sheet of Holt, Renfrew & Co., Limited and subsidiary company as at January 31 1950 and the related consolidated statements of profit and loss and earned surplus for the year ended on that date, which include the audited financial statements of the Quebec branch not examined by us, and have obtained all the information and explanations which we required. Our examination included such tests of the accounting records and other supporting evidence and such other procedures as we considered appropriate in the circumstances.

In our opinion, the accompanying consolidated balance sheet and the related consolidated statements of profit and loss and earned surplus are properly drawn up so as to present fairly the combined financial position of the companies as at January 31 1950 and the results of operations for the year 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 which we have examined and the audited accounts of the Quebec branch as referred to above.

PRICE, WATERHOUSE & CO.,
Auditors.

MONTREAL, April 13 1950.



HEAD OFFICE

1300 SHERBROOKE STREET WEST

MONTREAL

