

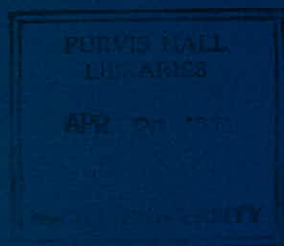
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Holt, Renfrew
& COMPANY LIMITED

ANNUAL REPORT

For the year ended January 31 1951





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

THE DOMINION'S LEADING
SPECIALTY SHOPS

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

HOLT, RENFREW & COMPANY LIMITED now have eight
stores in Canada—Quebec City, opened in 1837; Toronto in 1889;
Montreal and Winnipeg in 1910; Ottawa in 1942; Hamilton in
1945; Arvida in 1946 and Edmonton in 1950.

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
ARVIDA — EDMONTON

THE 114th
Annual Report of the Board of Directors
of
HOLT, RENFREW & CO., LIMITED

for the year ended January 31 1951
to be submitted to the Shareholders of the Company
at the Annual Meeting to be held on April 27 1951

Your Directors submit the Annual Report and Financial Statement of your Company for the year ended 31st January 1951 as audited by Price Waterhouse & Co.

The results of the year's operations have been satisfactory. The Net Profit for the year is \$257,089.78, after providing \$204,000 for taxes on income.

The Earned Surplus has been increased from \$188,697.50 to \$670,287.48.

Sales have continued to improve, Inventories have been conservatively valued and the Reserves for Accounts Receivable are considered sufficient.

During the year we made application for the surrender of the Charter of our wholly-owned subsidiary, Amcan Furs Limited, so that this Balance Sheet is that of Holt, Renfrew & Co., Limited alone and not a Consolidated Balance Sheet as in the previous year.

In March 1950 we took over the business of Thompson & Dynes Limited in Edmonton and the operations of that branch have been encouraging.

A new storage building has been built in connection with our Ottawa store and will be ready in ample time for the storage of fur garments this Spring.

The Company's success to a large extent is attributable to the loyal and efficient efforts of its employees to whom the Directors desire to express their appreciation and gratitude.

Respectfully submitted on behalf of the Board of Directors,

ALVIN J. WALKER
President and Managing Director

BALANCE SHEET

Assets

CURRENT ASSETS:

Cash	\$ 75,367.85	
Trade and other accounts receivable, less reserve	1,224,881.66	
Refundable portion of excess profits tax due within one year	57,883.43	
Merchandise on hand valued at the lower of cost or market in accordance with the company's usual practice	1,300,119.71	
Prepaid taxes, insurance, etc., including deposits with insurance underwriters	106,259.55	
	<u> </u>	\$2,764,512.20

CAPITAL ASSETS:

Land and buildings	\$ 932,281.89	
<i>Less:</i> Reserve for depreciation	215,286.78	
	<u> </u>	\$ 716,995.11
Furniture and fixtures, automob- iles, etc.	\$ 477,512.34	
<i>Less:</i> Reserve for depreciation	324,805.33	
	<u> </u>	152,707.01
		<u> </u>
		\$ 869,702.12
GOODWILL	772,453.79	
	<u> </u>	1,642,155.91

Note: Canadian Appraisal Company Limited has reported the present value of land, buildings, furniture and furnishings, etc. at January 31 1951, based upon appraisals as of 1935 to 1945 and including additions to date, to be \$2,431,326.02

OTHER ASSETS:

Refundable portion of excess profits tax due after one year	\$ 81,091.38	
Securities of Motty Eitingon Inc. stated at estimated realizable value	108,783.20	
Alterations to premises — unamortized balance	97,881.76	
	<u> </u>	287,756.34
		<u> </u>
		<u> </u>
		\$4,694,424.45

Signed on behalf of the Board:

ALVIN J. WALKER *Director*

R. G. LIDDY *Director*

JANUARY 31 1951

Liabilities

CURRENT LIABILITIES:

Demand loans from bank	\$ 625,000.00	
Accounts payable and accrued liabilities	675,993.19	
Instalment due in 1951 on First Mortgage Bonds	10,000.00	
Prepaid storage, interest and sundry credit balances	98,519.70	
Income and other taxes	220,624.08	
	<u> </u>	\$1,630,136.97

5% FIRST MORTGAGE BONDS—due in annual instalments of \$10,000 with balance due July 1 1967		394,000.00
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CAPITAL STOCK AND SURPLUS:

7% Cumulative Preferred—		
Authorized and issued—		
10,000 shares of \$100.00 each	\$1,000,000.00	
<i>Note: Preferred dividends in arrears amount to \$927,500.00</i>		
Common—		
Authorized and issued—		
10,000 shares of \$100.00 each	1,000,000.00	
Earned surplus, per statement attached	670,287.48	
	<u> </u>	2,670,287.48

\$4,694,424.45

Submitted with our Report to the Shareholders dated April 12 1951

PRICE WATERHOUSE & CO.

Auditors

HOLT, RENFREW & CO., LIMITED

Statement of Profit and Loss for the year ended January 31 1951

Profit from Operations after deducting selling and general expenses and providing for bad debts, but before deducting the undernoted items		\$639,291.80
<i>Deduct:</i>		
Executive remuneration	\$ 67,040.00	
Directors' fees	1,240.00	
Interest on First Mortgage Bonds	20,408.33	
Depreciation—		
Buildings	\$ 30,984.30	
Furniture and fixtures, automobiles, etc.	35,299.70	
		66,284.00
Amounts written off alterations to premises		23,229.69
Provision for taxes on income		204,000.00
		<u>382,202.02</u>
Net profit for the year transferred to earned surplus		<u>\$257,089.78</u>

Statement of Earned Surplus for the year ended January 31 1951

Balance January 31 1950 as shown by Consolidated Statement of Earned Surplus (see Note)		\$188,697.50
<i>Add:</i>		
Adjustment of provisions made in prior years for possible future decline in inventory values	\$190,465.90	
Adjustments of reserves provided in prior years by wholly owned subsidiary in process of being wound up	23,379.86	
Sundry adjustments applicable to prior years' operations (net)	10,654.44	
		<u>224,500.20</u>
		\$413,197.70
Net profit for the year, as above		257,089.78
Earned surplus at January 31 1951		<u>\$670,287.48</u>

Note: The assets of the wholly owned subsidiary were taken over by Holt, Renfrew & Co., Limited during the year ended January 31 1951 and the subsidiary is in the process of being wound up; no profits or losses were reported by the subsidiary since January 31 1950.

PRICE WATERHOUSE & CO.

215 St. James Street West
MONTREAL 1 April 12 1951

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

We have examined the balance sheet of Holt, Renfrew & Co., Limited as at January 31 1951 and the related statements of profit and loss and earned surplus for the year ended on that date, which include the audited financial statements of the Quebec and Edmonton branches 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 balance sheet and the related statements of profit and loss and earned surplus are properly drawn up so as to present fairly the financial position of the company as at January 31 1951 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 company which we have examined and the audited accounts of the Quebec and Edmonton branches as referred to above.

PRICE WATERHOUSE & CO.
Auditors



HEAD OFFICE

1300 SHERBROOKE STREET WEST

MONTREAL

