

# British Columbia Packers Limited

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## Ninth Annual Report

*For Fiscal Year Ended*

DECEMBER 31, 1936

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### BOARD OF DIRECTORS

F. E. BURKE  
STANLEY BURKE  
GORDON FARRELL  
J. H. GUNDY  
GEORGE KIDD  
H. R. MacMILLAN  
J. P. D. MALKIN  
AUSTIN C. TAYLOR  
W. J. VAN DUSEN  
A. H. WILLIAMSON

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### OFFICERS

H. R. MacMILLAN, *President*  
STANLEY BURKE, *Vice-President*  
J. M. BUCHANAN, *General Manager*  
S. K. MURRAY, *Sales Manager*  
G. M. FERGUSON, *Secretary-Treasurer*

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### REGISTRAR AND TRANSFER AGENT

The London & Western Trusts Company Limited,  
Vancouver, Canada

### CO-TRANSFER AGENT

Chartered Trust and Executor Company,  
Montreal, Canada

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# British Columbia Packers Limited

(and Subsidiary Companies)

## Consolidated Statement of Profit and Loss and Earned Surplus Account As at December 31, 1936

Sales .....	\$ 4,520,769.81
<b>Less—</b>	
Insurance, Freights, Storage, Commissions, etc.....	402,960.01
	\$ 4,117,809.80
<b>Deduct—</b>	
Cost of Sales.....	3,572,815.37
	\$ 544,994.43
<b>Add—</b>	
Miscellaneous Profits and Income.....	160,485.83
	\$ 705,480.26
<b>Deduct—</b>	
Selling, Administrative and General Expenses, including Interest on Bank Loans and Bills Payable, etc.....	292,686.96
	\$ 412,793.30
<b>Deduct—</b>	
Depreciation .....	\$263,627.74
Interest on Debentures.....	13,314.98
Directors' Fees and Remuneration.....	2,475.00
Management and Executive Salaries.....	22,450.00
Legal Fees and Expenses.....	2,102.20
Debenture Redemption Expense.....	3,776.04
Provision for Income Taxes.....	5,000.00
	312,745.96
Profit for the year ended December 31, 1936 .....	\$ 100,047.34
<b>Deduct—</b>	
Deficit as at December 31, 1935.....	32,249.92
Earned Surplus .....	\$ 67,797.42

### AUDITORS' CERTIFICATE

To the Shareholders of the British Columbia Packers Limited:

We have made an examination of the Books and Accounts of the British Columbia Packers Limited and its Subsidiary Companies for the year ended December 31, 1936, and have obtained all the information and explanations which we have required, and we report that, in our opinion, the above Consolidated Balance Sheet as at December 31, 1936, is properly drawn up, on the basis indicated therein, so as to exhibit a true and correct view of the state of the combined affairs of the British Columbia Packers Limited and its Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

Vancouver, B.C.,  
February 11, 1937.

PRICE, WATERHOUSE & CO.,  
Chartered Accountants

# British Columbia Packers Limited

(and Subsidiary Companies)

## Consolidated Balance Sheet as at December 31, 1936

### ASSETS

#### CURRENT AND WORKING ASSETS:

Inventories as determined and certified to by a responsible official of the Company—	
Canned Salmon, Pilchards, Meal and Oil, etc. on hand, valued on the basis of proportion sold under sales contracts at net selling value, and balance at cost or market value, whichever is the lower	\$ 1,809,579.85
Store Merchandise, New Nets, Labels and Supplies—at cost or market, whichever is the lower	121,329.10
	\$ 1,930,908.95
Expended on 1937 Pack	36,542.47
<b>Sundry Debtors—</b>	
Trade Bills and Accounts Receivable, Advances to Fishermen and Others, secured and unsecured—less reserve	488,433.99
Cash on hand	5,365.26
	\$ 2,461,250.67

#### CAPITAL ASSETS:

Buildings, Plant, Machinery, etc. at replacement values as appraised in 1929 by the Canadian General Appraisal Co. Ltd., plus the cost of subsequent additions	\$ 4,566,790.22
Power Boats (other than Gillnet Boats) and Scows—at book values	521,664.91
	\$ 5,088,455.13
<b>Less—</b>	
Reserve for Depreciation	3,158,579.30
	\$ 1,929,875.83
Nets, Gillnet Boats and Fishing Equipment as valued by the management	242,546.50
Land, Leases, Licenses, etc. at book values	1,271,996.36
	3,444,418.69

#### Note:

The above Capital Asset values are derived from appraisal or book figures and do not purport to be realizable or present replacement values.

DEFERRED CHARGES	65,571.44
	\$ 5,971,240.80

### LIABILITIES

#### CURRENT LIABILITIES:

Bank Loans and Overdraft—secured under Section 88 of the Bank Act and by second charge on \$1,050,000.00	
Second Mortgage Debentures	\$ 1,370,536.40
Bills Payable—secured by first charge on \$1,050,000.00	
Second Mortgage Debentures	543,000.00
Sundry Creditors including Accrued Interest, etc.	162,167.57
Reserve for Income and other Taxes	6,739.41
	\$ 2,082,443.38

#### FIVE PER CENT. FIRST MORTGAGE SINKING FUND DEBENTURES MATURING JANUARY 10, 1944

221,000.00

#### SECOND MORTGAGE DEBENTURES MATURING DECEMBER 31, 1960

(Non-Interest Bearing) \$ 1,050,000.00

Issued and held as security for repayment of liabilities as shown above.

#### CAPITAL AND EARNED SURPLUS:

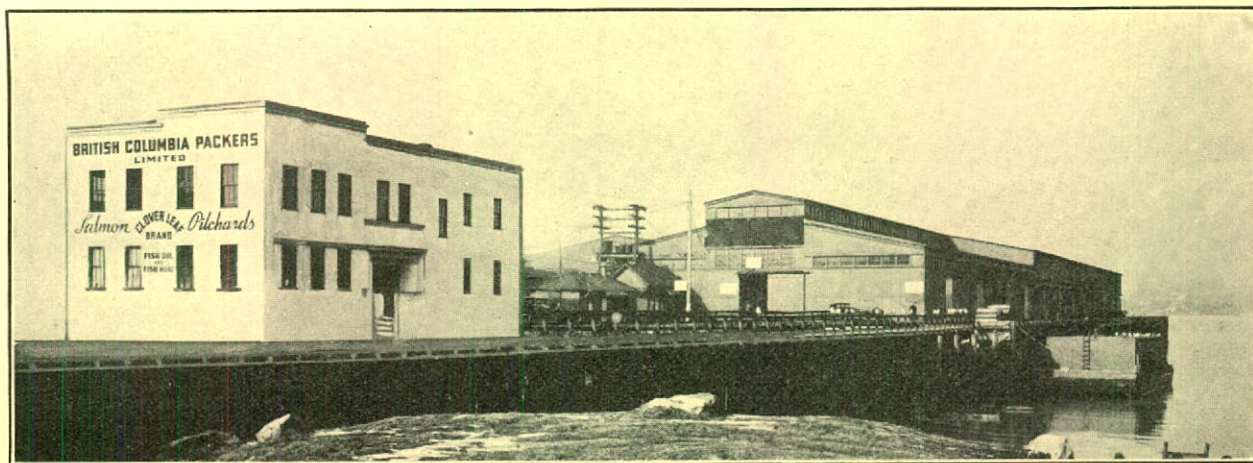
<b>Capital—</b>	
<b>Authorized:</b>	
390,994 Common Shares—no par value.	
<b>Issued or to be Issued:</b>	
136,279 Common Shares of no par value, of which 129,227.3 shares have been issued and the balance of 7,051.7 shares are to be issued in exchange for shares in accordance with the scheme of reorganization dated October 21, 1935	\$ 3,600,000.00
<b>Earned Surplus—</b>	
Per statement attached	67,797.42
	3,667,797.42

#### CONTINGENT LIABILITIES:

Bills under Discount, etc.	\$ 391,556.73
	£17,222.19.5.

\$ 5,971,240.80

Approved on behalf of the Board:  
H. R. MacMILLAN, Director.  
S. BURKE, Director.



*General Office Building and Wharf in Vancouver, B.C.*

*To the Shareholders*

BRITISH COLUMBIA PACKERS LIMITED:

Your Directors submit herewith the certified Consolidated Balance Sheet as at December 31, 1936, and the Consolidated Statement of Profit and Loss and Earned Surplus Account of the Company for the fiscal year ended December 31, 1936.

The Profit and Loss Account shows a profit of \$100,047.34 or 2.21% on sales of products. We trust that this indicates a turn in the affairs of the Company, but it is to be hoped that earnings on turnover may be increased with consequent benefit to shareholders whose capital has been invested for many years without any returns.

The gross sales of products totalled \$4,520,769.81. The larger items of expenditure were briefly, as follows: Fish, \$1,404,921.04; Labour, including salaries and remuneration to Sales Agents, \$850,601.40; Material and Supplies, \$1,766,623.76.

The Company's reduction plant at Hecate on the West Coast of Vancouver Island, which had been idle for five years, was improved, increased and brought into operating condition. Although the 1936 run of pilchards was disappointing in volume and in oil production, the results justified the decision. A new reduction unit was added to the Namu cannery with satisfactory results.

A deepsea wharf in Vancouver was leased and equipped for our trade and an office sufficient to house the headquarters staff was built on adjoining property. This will have the effect of concentrating operations and reducing operating expenses.

The plants and fleet were improved in condition and in operating economy. A new fish packer was built and other arrangements made which will improve the fishing fleet at the Company's service.

The conservation measures adopted by the Dominion and Provincial Governments appear adequate to maintain or increase the supply of fish.

During the year the 6% First Mortgage Debenture Issue was refunded at 5% and the principal amount outstanding was reduced from \$253,000.00 to \$221,000.00. Since January 1, 1937, the principal has been further reduced by \$15,000.00.

On behalf of the Board of Directors and Shareholders, I wish to thank the officers and employees of the Company for another year's loyal service.

Respectfully submitted,  
H. R. MacMILLAN,  
*President.*

Vancouver, Canada,  
March 4, 1937.