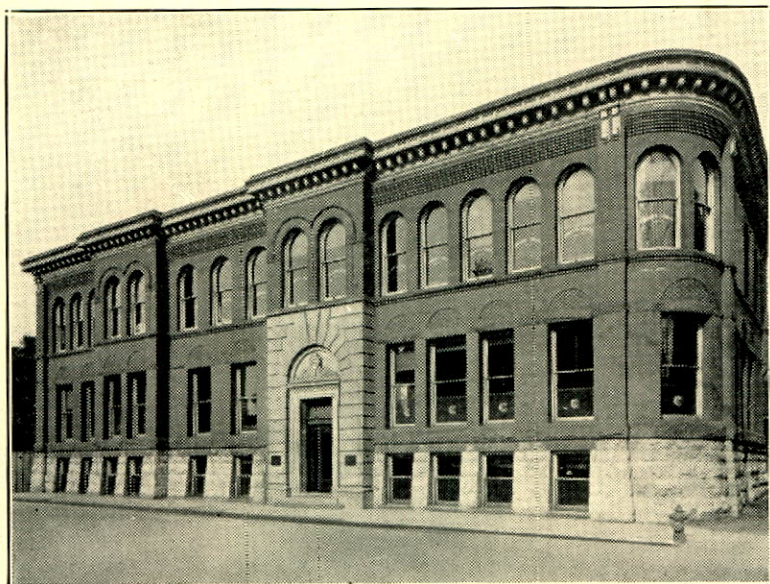


# CANADIAN CANNERS

Limited

HAMILTON CANADA



HEAD OFFICES OF CANADIAN CANNERS LIMITED  
AT HUGHSON STREET SOUTH, HAMILTON, ONTARIO

TWENTIETH  
ANNUAL REPORT  
for the YEAR ENDED  
FEBRUARY 28, 1943

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Hamilton, May 3, 1943.

TO THE SHAREHOLDERS OF  
CANADIAN CANNERS LIMITED.

The Annual Report of the Company for the year ended February 28, 1943, together with the report of the Auditors is submitted herewith by the Board of Directors.

STATEMENT OF CONSOLIDATED PROFIT AND LOSS  
AND EARNED SURPLUSES FOR THE FISCAL  
YEAR ENDED FEBRUARY 28, 1943

PROFIT from operations after deducting all expenses of manufacturing, selling, administration and taxes..	\$ 970,166.39
Interest on funded debt .....	97,700.00
Net profit for the year .....	\$ 872,466.39
EARNED SURPLUSES as at March 1, 1942 .....	\$ 2,717,197.14
Less Convertible Preference Stock, redeemed .....	39,326.62
	<u>\$ 2,677,870.52</u>
	\$ 3,550,336.91
LESS Dividends paid during year:	
First Preference shares .....	\$ 229,049.99
Convertible Preference shares .....	285,357.20
Common shares .....	68,892.06
	<u>583,299.25</u>
	<u>\$ 2,967,037.66</u>
EARNED SURPLUSES as at February 28, 1943:	
Reserve for redemption of Preference shares .....	\$ 432,754.63
Investment and Contingent Reserve .....	\$ 1,500,000.00
Earned Surplus (after transferring \$170,000.00 to Reserve for redemption of Preference Shares) .....	1,034,283.03
	<u>2,534,283.03</u>
	<u>\$ 2,967,037.66</u>

NOTE: The above profits from operations are after providing \$500,000.00 for depreciation of plants, \$2,065,000.00 for income and excess profits taxes (including refundable portion \$200,000.00), \$79,482.54 for other taxes, \$10,000.00 for directors' fees and \$76,820.92 for legal fees and executive salaries.

**Dividends**—Dividends were paid during the year at the rate of 5% per annum on the First Preference Stock plus a participating dividend of 5c per share per quarter; 80c per share on the Convertible Preference Stock and 50c per share on the Common Stock.

**Production**—Our Production was somewhat less this past season due in part to unfavourable crop conditions.

Shipments increased over those of previous years and demand was far in excess of our ability to supply.

While we are also manufacturers of dehydrated foods, frosted foods, etc., according to expert opinion, the future for canned foods is more firmly established than ever before.

Our export trade was in excess of that of the previous year, but still below that of normal years. Shipments to Great Britain were practically nil owing to Government regulations.

Our plans for 1943 are to produce to capacity. What is accomplished will be governed by weather and labor conditions.

It will be of interest to notice that prices to the public are still on the 1941 level, notwithstanding heavy increases in wages, produce, etc. It is due in part to our large turnover that we are able to present such a favorable statement.

It will be noticed that over \$2,000,000 is being contributed to the Dominion Government in taxes as against \$1,300,000 in 1942, \$673,000 in 1941, \$420,000 in 1940 and \$70,000 in 1939.

Attention is also called to the sum of \$200,000 which is the refundable portion of Excess Profits Tax. This is being considered as a deferred item, and is not included in the profit and loss statement. Had it been included the net profit would have been about the same as last year.

**Assets**—Inventories are in larger proportion for unmanufactured goods.

Property account shows some increase; largely for buildings, machinery, etc., to increase production and improve efficiency.

**Liabilities**—The serial 3% First Mortgage Bonds are now paid off. Also \$150,000 was paid into the Sinking Fund on May 1st this year on account of the 4% First Mortgage Bonds.

Our liquid position is somewhat better than last year.

**General**—Another \$170,000 has been allocated for redemption purposes. There were 4,627 shares redeemed during the past year.

Your Directors desire to record their appreciation of the loyal and efficient services of the Company's officers and employees.

On behalf of the Board.

W. R. DRYNAN,  
President.

# CANADIAN CANNERS LIMITED

## AND SUBSIDIARY COMPANIES

Consolidated Balance Sheet—February 28, 1943

### ASSETS

#### CURRENT

Cash on hand and in banks .....	\$ 1,252,388.29	
Marketable securities—Government Bonds, (at cost) .....	500,000.00	
Accounts and bills receivable, less reserve .....	1,323,218.60	
Manufactured goods, raw materials and supplies, priced at approximate cost, as determined and certified to by responsible officials, less reserve	6,108,692.24	
Unexpired insurance, etc. ....	20,593.71	
	<hr/>	\$ 9,204,892.84

**SHARES** held for account Employees' Stock Participation .....

19,665.20

**REFUNDABLE** portion of Excess Profits Tax .....

200,000.00

#### PROPERTY ACCOUNT

Land, buildings and plants based, chiefly, on appraised sound values as reported by Canadian Appraisal Company Limited in 1923, plus the cost of subsequent additions .....	14,443,638.41
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#### INTANGIBLES

Value carried in books in respect of companies' brands, trade marks, processes, goodwill, etc. ....	3,242,619.47
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\$ 27,110,815.92

### LIABILITIES

#### CURRENT

Accounts payable and accrued liabilities .....	\$ 1,363,832.62	
Bond interest accrued .....	32,266.66	
Reserve for income, excess profits and other taxes, less payments on account \$1,252,825.00 .....	1,007,979.08	
	<hr/>	\$ 2,404,078.36

#### FUNDED DEBT

First Mortgage Bonds, Series A—  
Authorized, less redeemed to date—\$ 3,920,000.00.

Issued—

Convertible Four Per Cent. Fifteen-Year Sinking Fund First Mortgage Bonds, maturing May 1, 1951 .....	2,420,000.00
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**CAPITAL STOCK**

Five Per Cent. Cumulative First Preference Stock (callable at \$23 on 60 days' notice from the Company, subject to the shareholders' right of conversion, share for share, into Common)—

Authorized—213,020 shares at \$20 each—\$4,260,400.00.

Issued—190,877½ shares .....

3,817,550.00

Convertible Preference Stock (callable at \$20 on 60 days' notice from the Company, subject to shareholders' right of conversion, share for share into Common)—

Authorized—390,338 shares, having no nominal or par value, of which 354,910 shares are issued.

Common Stock—

Authorized—400,840 shares, having no nominal or par value, of which 137,784 shares are issued .....

\$ 6,762,316.68

**CAPITAL SURPLUS**—being par value of Five Per Cent. Cumulative First Preference Stock and cost of Convertible Preference Stock, redeemed under Section 61, The Companies' Act, 1934 (\$39,326.62 during year).....

144,545.37

6,906,862.05

10,724,412.05

**DEFERRED SURPLUS**—refundable portion of Excess Profits Tax .....

200,000.00

**EARNED SURPLUSES**

Reserve for redemption of Preference Shares .....

432,754.63

Investment and Contingent Reserve .....

1,500,000.00

Earned Surplus (after transferring \$170,000.00 to Reserve for redemption of Preference Shares) .....

1,034,283.03

2,534,283.03

\$ 27,110,815.92

On behalf of the Board,  
AVERN PARDOE,  
Director.

W. R. DRYNAN,  
Director.

**AUDITORS' REPORT**

To the Shareholders of  
CANADIAN CANNERS LIMITED:

Toronto, Ontario,  
May 3, 1943.

We have examined the books and accounts of Canadian Canners Limited and its subsidiary, Canadian Canners (Western) Limited, for the year ended February 28, 1943, and have been furnished with Balance Sheets of the remaining Subsidiary Companies, duly certified, and we report that, in our opinion, the above Consolidated Balance Sheet is properly drawn up and exhibits a true and correct view of the state of the combined Companies' affairs according to the best of our knowledge, and the explanations given to us and as shown by the books and statements submitted. We have obtained all the information and explanations we have required.

PRICE, WATERHOUSE & CO.,  
Chartered Accountants.

## CANADIAN CANNERS LIMITED

HEAD OFFICE: HAMILTON, ONTARIO, CANADA

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### Directors

AVERN PARDOE, Chairman of the Board.  
W. R. DRYNAN, President and General Manager.  
W. L. INNES, First Vice-President.  
E. A. PEARCE, Second Vice-President.  
D. R. McCAHILL, Assistant General Manager.  
G. C. EDWARDS.  
ALECK LEITCH.  
W. G. LUMBERS.  
LT.-COL. W. G. MacKENDRICK, D.S.O.  
J. A. NORTHWAY.

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P. CROUCHER, Secretary-Treasurer.

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### Auditors

PRICE, WATERHOUSE & CO., Chartered Accountants.

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## Owning and Operating CANNING AND PRESERVING FACTORIES

**In Ontario**—Aylmer, Amherstburg, Alvinston, Brighton, Beamsville, Burford, Burlington, Belle River, Bloomfield, Blenheim, Bowmanville, Chatham, Cobourg, Colborne, Consecon, Delhi, Dresden, Dunnville, Exeter, Fonthill, Forest, Frankford, Grimsby, Grafton, Hamilton, Hillier, Highgate, Jordan Station, Kingsville, Lakeport, Niagara-on-the-Lake, Napanee, Northport, Orono, Picton, Port Burwell, Port Hope, Port Dalhousie, Port Milford, Petrolia, Rednersville, Ridgetown, Simcoe, St. Catharines, Strathroy, St. Davids, Stoney Point, Tilbury, Thamesville, Vineland, Waterford, Waterdown, Wellington, West Lorne, West Lake.

**In Quebec**—St. Isidore, St. Hyacinthe, Chambly.

**In Nova Scotia**—Middleton.

**In British Columbia**—Vancouver, Mission, Ashcroft, Kelowna, Penticton, Oliver, Keremeos, Lulu Island.

### FARMS

**In Ontario**—Counties: Brant, Elgin, Huron, Hastings, Lincoln, Lambton, Northumberland, Prince Edward, Rainy River District.

### SUBSIDIARIES

Canadian Canners (Western) Limited.  
Canners Machinery, Limited, Simcoe and Aylmer, Ont.  
Cider and Vinegar Plant, Brighton, Ont.  
Research Laboratory, Hamilton, Ont.  
Pembroke Shook Mills Limited, Pembroke, Ont.  
Canners Seeds Limited, Wellington, Ont.  
Wagstaffe Limited, Hamilton, Ont.



## BACKING THE ATTACK!

AYLMER factories are producing for victory by supplying Canada and our Allies with quality canned foods.

AYLMER Quality is also helping to put punch into the attack by providing nutritious food throughout the four seasons of the year for our war workers.

The greatest importance is placed by our Government on the value of good food for our workers, as well as our fighting forces.

AYLMER method of canning makes AYLMEER Canned Foods more delicious, as well as nutritious. AYLMEER is noted for natural flavour!

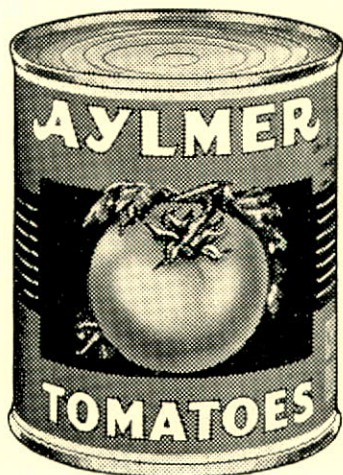
Always ask for AYLMEER!

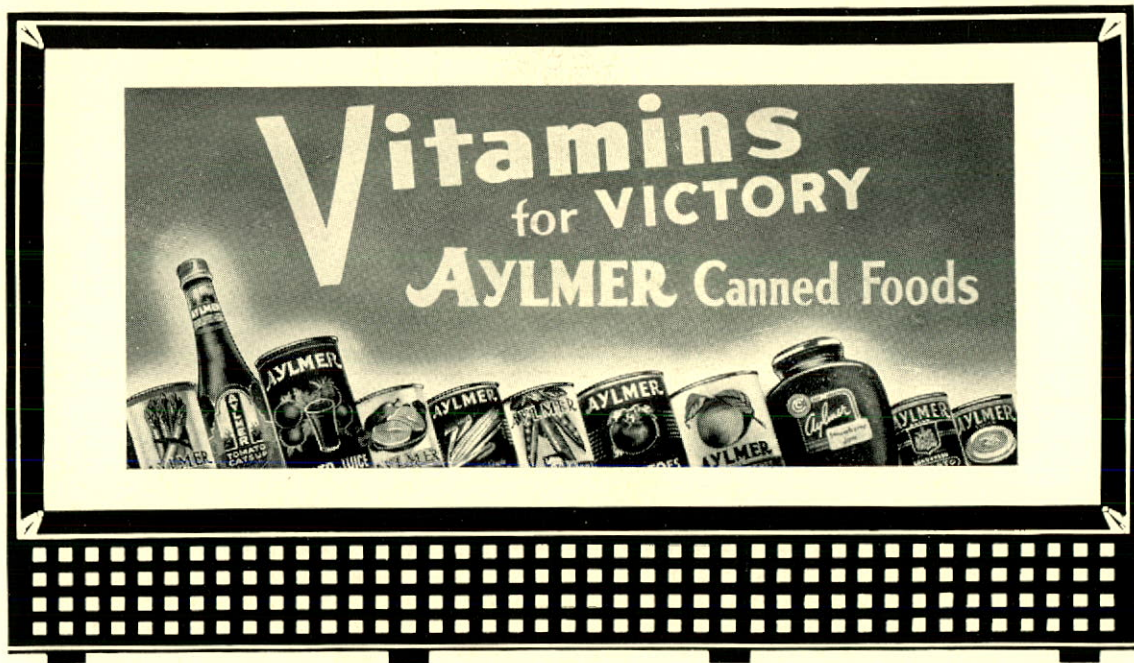
### *Sharing a Favourite*

A large share of the production of AYLMEER Canned Foods goes to the Navy, Army and Air Force.

If you miss a favourite AYLMEER variety from your store shelves, remember you are sharing it with our fighting men and our munitions workers.

*Aylmer for Quality*





AYLMER: CANADA'S DEPENDABLE NAME FOR CANNED FOODS