

THIRD ANNUAL
REPORT

DAVID & FRÈRE,
Limitée

For the year ending December 31, 1930.

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DAVID & FRÈRE, LIMITÉE

Montreal, February 2nd, 1931.

To the Shareholders,

Your directors take pleasure in submitting herewith a Balance Sheet and a statement of operations for the year ending December 31st, 1930.

As you will notice the results of the operations are very satisfactory and permit optimism for the year 1931. The plant was operated at capacity throughout the year; activity has been growing so fast that your Directors are presently studying a project of expansion.

The net income for the year, after providing for all depreciation charges, amounts to \$107,259.11. Four dividends totalling \$51,750.00 have been declared and paid on the Class A stock. From \$114,196.15 the surplus account has been augmented to \$160,212.21.

The additions announced at the last general meeting, and at the time already being executed, were ended in due course. As early as May the additional floor was working at capacity, the new machinery having been installed and the transfers made in record time.

Kindly remark that this great increase in fixed assets has been paid for out of current earning, without affecting the liquid position of your Company. The nett liquid assets at the end of December amounted to \$251,532.19. Your Directors are pleased to inform you of this prosperous situation.

Other machinery already bought and which will be in operation in a few days will permit to strengthen the fame always increasing of your Company in the biscuit industry.

Your Directors are also pleased to inform you that the maintenance of your plant and machinery has been their constant attention, and that a considerable overhauling has just been completed. Well posted individuals who have recently visited your factory, say that it is one of the best equipped and cared for in both Canada and United States.

All of which is respectfully submitted on behalf of the Board of Directors.

J. H. Bouvier,
President and General-Manager.

DAVID & FRÈRE, LIMITÉE
BALANCE SHEET, as at December 31st, 1930.

ASSETS

Cash on hand and in bank.....	\$ 1,709.09	
Accounts receivable	\$142,410.31	
Less Reserve	7,565.74	
	<hr/>	134,844.57
Inventories at cost.....		47,962.21
Investment in Government and Municipal bonds.....	79,578.75	
Accrued interest	594.90	
	<hr/>	80,173.65
		<hr/>
		\$264,689.52
Land, buildings, machinery and equip- ment, rolling stock, furniture and goodwill	823,214.91	
Less Reserve for depreciation	113,869.18	
	<hr/>	709,345.73
Deferred charges: taxes, insurance, etc.....		4,334.29
		<hr/>
		\$978,369.54

LIABILITIES

Accounts payable	\$ 8,151.15	
Unclaimed dividends	540.50	
Accrued charges	4,465.68	
	<hr/>	\$ 13,157.33
Capital Stock Issued:		
Ordinary shares, Class A		
23,000 shares, no par value.....	690,000.00	
Ordinary shares, Class B		
23,000 shares, no par value.....	115,000.00	
	<hr/>	805,000.00
Surplus		160,212.21
		<hr/>
		\$978,369.54

Approved on behalf of the board:

J. H. Bouvier }
L. R. Philie } Directors.

AUDITOR'S REPORT

We have examined the books and accounts of "DAVID & FRERE, LIMITEE" for the year ending 31st December 1930, and have received all the information and explanations we have required.

No reserve has been provided for the 1930 income tax.

This remark noted, we certify that the above Balance Sheet, in our opinion, shows the true financial position of the Company on December 31st, 1930, according to the best of our information and the explanations given to us as shown by the books of the Company.

(Signed) **LaRUE & TRUDEL,**
Chartered Accountants.

Montreal, January 30th, 1931

DAVID & FRÈRE, LIMITÉE

Statement of Earnings for the year ending December 31, 1930.

Manufacturing profits	\$244,350.39
Less Selling and administrative expenses	141,223.72
	<u>103,126.67</u>
Other income	4,132.44
	<u>\$107,259.11</u>

Surplus Account

Balance 1st January, 1930	\$114,196.15	
Profit for the year 1930	107,259.11	
	<u> </u>	\$221,455.26
Deduct:		
Income Tax year 1929	\$ 9,493.05	
Dividends Nos. 7, 8, 9 and 10	51,750.00	
	<u> </u>	61,243.05
Balance on December 31, 1930		<u>\$160,212.21</u>