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# ASSOCIATED BREWERIES OF CANADA

LIMITED

HEAD OFFICE  
CALGARY  
CANADA



ANNUAL REPORT  
FOR THE  
YEAR ENDED DECEMBER 31  
1934

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# President's Report

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TO THE SHAREHOLDERS OF  
ASSOCIATED BREWERIES OF CANADA LIMITED:

I have pleasure in submitting herewith in consolidated form the Seventh Annual Statement of Associated Breweries of Canada Limited and its wholly owned brewing subsidiaries for the fiscal year ended December 31st, 1934. It will be noted that the Statement appears this year in slightly altered form due to the requirements of the new Companies' Act.

After allowing \$134,575.71 for depreciation and \$73,571.69 for Federal and Provincial Income Taxes, the sum of \$286,105.91 has been carried to Earned Surplus Account and represents the year's net profits from operations and investments before payment of dividends. In addition to all Municipal and School taxes the Company and its brewing subsidiaries paid in excess of \$675,000.00 in various forms of Provincial and Dominion taxation.

The physical condition of all properties and equipment has been thoroughly maintained. In Saskatchewan the sale of beer by the glass in licensed premises is in process of inauguration. To meet the consequent demand for beer in kegs, the necessary additions have been made to our buildings, plants and equipment in that Province. Under the new conditions our business in that area should be materially benefited.

Additional Preferred shares to the par value of \$72,300.00 were redeemed and cancelled during the year pursuant to the provisions of the Company's Letters Patent. As it now appears necessary under the terms of the new Dominion Companies' Act to take out Supplementary Letters Patent reducing the Company's capital where such redemptions are made other than out of earnings you will be asked to ratify a By-law already enacted by your Directors authorizing application to the Secretary of State for Supplementary Letters Patent approving reduction of capital up to and including December 31st, 1934.

On January 2nd, 1934, Common stockholders received 25c per share as their sole dividend against 1933 earnings. Increased profits in 1934 made it possible to pay two Common Dividends of 25c each in September and December, 1934, respectively as well as a further dividend of 25c per share on March 31st, 1935. The business of the Company being of a seasonal nature additional disbursements will be considered by the Board as conditions warrant. Quarterly dividends of  $1\frac{3}{4}\%$  have been paid without interruption since the inception of the Company on the outstanding Preference shares.

In reviewing the Company's revenues for the year reference should be made to the investments in several brewing companies in the United States. All of these Companies are now in profitable operation, and while competition in that country is, as anticipated, growing continually keener, the results have contributed materially to the increased earnings indicated in the present report and continue satisfactory.

It is anticipated that with continued improvement in conditions throughout the territories in which the Company is operating a further increase in business during the ensuing year will result.

I have much pleasure in testifying to the loyal and efficient services of the managements, staffs and employees.

On behalf of the Directors.

E. G. Sick,  
*President.*

Calgary, Alberta, March 5th, 1935.

# Auditors' Report

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TO THE SHAREHOLDERS OF  
ASSOCIATED BREWERIES OF CANADA LIMITED.

LADIES AND GENTLEMEN:

We have examined the books and accounts of Associated Breweries of Canada Limited for the year ending December 31st, 1934, and have verified the securities representing the investments of the Company. We have received all the information and explanations that we have required, and have accepted as correct the audited statements of the constituent companies. We report that the attached consolidated balance sheet presents a true and accurate statement of the affairs of Associated Breweries of Canada Limited and its constituent companies at December 31st, 1934, according to the best of our information, the explanations given to us, and as shown by the books of the Company and the audited statements of the constituent companies.

The dividend on the Preferred shares, payable January 2nd, 1935, has been provided for in these accounts.

In accordance with Section 114 of the Dominion Companies' Act, we report that dividends of \$11,410.00 were received from non-brewing subsidiary companies out of their accumulated surpluses; that the aggregate net trading losses for the year, after deducting profits, in these companies amounted to \$5,506.52; and that these losses have not been included in the accounts of this Company.

Redemption of a further \$72,300.00 of the Cumulative Redeemable Preferred Shares was effected during the year, in accordance with the provisions of the Letters Patent of the Company, and the reduction of capital thereby resulting is, in our opinion, subject to confirmation by Supplementary Letters Patent.

Yours faithfully,

NASH & NASH,

*Chartered Accountants.*

March 5th, 1935.

**Associated Breweries of Canada**  
 \_\_\_\_\_ Limited \_\_\_\_\_  
 and Wholly Owned Subsidiary Brewing Companies

**Consolidated Profit and Loss Account**

for the year ending December 31st, 1934

Net Operating Profits before charging depreciation.....	\$	437,266.57
Revenue from Investments .....		45,993.69
Other Revenue .....		19,393.05
		\$ 502,653.31
 <i>Less:</i>		
Directors' Fees .....	\$	8,400.00
Depreciation .....		134,575.71
Federal and Provincial Income Taxes .....		73,571.69
		216,547.40
 <i>Net profits for the year</i> carried to Earned Surplus Account .....	 \$	 <u>286,105.91</u>

**Consolidated Earned Surplus Account**

for the year ending December 31st, 1934

Balance at January 1st, 1934 .....	\$	402,029.40
Net Profits for the year from Profit and Loss Account .....		286,105.91
		\$ 688,135.31
 <i>Less:</i>		
Four quarterly dividends each 1¾ per cent, on the Cumulative Preferred Shares .....	\$	73,657.50
Two dividends, each of 25c per share, on the Issued Common Shares of no par value.....	\$	112,300.00
		185,957.50
 <i>Balance</i> carried to Balance Sheet .....	 \$	 <u>502,177.81</u>

## Government Taxes payable by Constituent Companies for the year 1934

Federal and Provincial Gallonage Taxes .....	\$ 279,426.68
Federal Excise and Sales Taxes .....	324,882.00
Federal and Provincial Incomes Taxes.....	73,571.69
	\$ 677,880.37

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### Officers

FRITZ SICK .....	<i>Chairman of the Board</i>
E. G. SICK .....	<i>President</i>
L. M. JOHNSTONE, K.C.....	<i>Vice-President</i>
R. H. B. KER.....	<i>Vice-President</i>
J. G. WALFORD .....	<i>General Manager &amp; Secretary-Treasurer</i>
I. N. WILSON .....	<i>Assistant Secretary-Treasurer</i>

### Directors

R. J. Chiswick, Lethbridge, Alberta  
 Lt.-Col. E. G. Hanson, D.S.O., Montreal, Quebec  
 Wm. Hutton, Regina, Sask.  
 L. M. Johnstone, K.C., Lethbridge, Alberta  
 R. H. B. Ker, Victoria, B.C.  
 J. C. Malonc, Regina, Sask.  
 A. E. Raue, Vancouver, B.C.  
 W. H. Sheppard, Edmonton, Alberta  
 Fritz Sick, Vancouver, B.C.  
 Emil G. Sick, Seattle, Washington.  
 Geo. R. Whitmore, Regina, Sask.

Transfer Agent:

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