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BLUE RIBBON CORPORATION LIMITED



ANNUAL REPORT
CONSOLIDATED BALANCE SHEET
AND SURPLUS ACCOUNT
FOR YEAR ENDING 30TH JUNE, 1944

Blue Ribbon Corporation Limited
Annual Report 1944

ANNUAL REPORT

Toronto, Canada, September 1st, 1944.

TO THE SHAREHOLDERS OF
BLUE RIBBON CORPORATION LIMITED:

The 14th Annual Report of the Corporation is submitted by your Directors along with the Consolidated Balance Sheet of the Corporation and Subsidiaries and the Consolidated Surplus Account, all for the year ending June 30th, 1944.

After providing for all taxes, depreciation on plant and buildings, an additional reserve against future decline in inventory values of \$29,000.00 and taking care of all operating expenses, the net earnings for the year amount to \$116,896.55.

Dividends at the rate of 5% were paid quarterly on the Preferred Shares outstanding, amounting to \$74,625.00 which left for transfer to the Surplus Account \$42,271.55 as compared with \$29,440.80 last year.

Sales of merchandise for the year show an increase over the previous year, but the percentage of profit is down as a result of increased cost of most raw materials and the maintenance of our ceiling prices. This is our portion of the squeeze which the Government ask us to absorb.

Rationing of most of our major lines continues but the rationing of Tea and Coffee was relaxed somewhat on May 1st, yet not in time to show much improvement during the year just closed. However, the increased quantity allowed for consumption should help considerably in the future.

Taxes, rationing, loss of experienced help and shortage of certain goods continue. Nevertheless, the Companies are operated to best advantage under present difficult conditions.

Once again the Directors appreciate the loyal support received from the employees of the three Companies.

C. E. SPOONER,
Chairman of the Board.

J. BALL,
President.

BLUE RIBBON CORPORATION LIMITED
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET - 30TH JUNE, 1944

ASSETS	LIABILITIES
Current Assets:	
Cash on Hand and in Banks	\$ 106,055.80
Dominion of Canada 5% Bonds	71,700.00
Accounts Receivable, less Reserve	555,779.41
Inventories of Merchandise and Supplies, valued at cost as determined and certified to by the Management	\$1,752,754.70
Less Reserve against Future Decline in Inventory Values	104,000.00
	1,648,754.70
	\$2,560,249.91
Stocks and Bonds of Customer Companies	58,681.56
Land, Buildings, Machinery and Equipment	\$2,518,490.82
In Western Canada—as appraised by Sterling Appraisal Co. Ltd., 1928.	
In Ontario—part as appraised by Wesley E. Barker and by Canadian Appraisal Co. Ltd., 1924, and part by Sterling Appraisal Co. Ltd., 1950.	
Plus Additions to date at Cost.	
Less Reserve for Depreciation	960,255.87
	1,558,236.95
Trade Marks, Patent Rights and Goodwill	1.00
Deferred Charges	45,111.55
Refundable Portion of Excess Profits Tax	45,480.01
	\$3,845,780.96
Current Liabilities:	
Bank Advances (Secured \$497,529.95)	\$ 682,529.95
Accounts Payable	256,879.81
Provision for Income and Excess Profits Taxes	61,481.29
	\$1,000,891.05
Mortgage on Land and Buildings of one Subsidiary, due 1st March, 1947	27,500.00
Minority Interest in Subsidiary Company, including share of Deferred Surplus	26,414.07
Capital Stock:	
Authorized:	
40,000 Shares of 5% Cumulative Convertible Redeemable Participating Preferred Stock of \$50.00 each.	
150,000 Common Shares of No Par Value.	
Issued and Outstanding:	
29,850 Preferred Shares of \$50.00 each	\$1,492,500.00
65,475 Common Shares of No Par Value	859,067.54
	\$2,351,567.54
Earned Surplus	415,409.27
Deferred Surplus re Refundable Portion of Excess Profits Tax	43,999.25
	2,790,975.86
	\$5,845,780.96

Signed on behalf of the Board.

J. BALL,

C. E. SPOONER,

Directors.

AUDITORS' REPORT

To the Shareholders of Blue Ribbon Corporation Limited:

We have examined the books and accounts of Blue Ribbon Corporation Limited and its Subsidiaries, **Pure Gold Manufacturing Co. Limited and Willards Chocolates Limited**, for the year ending 30th June, 1944, and have obtained all the information and explanations which we required. While we have not examined the accounts of Blue Ribbon Limited, we have seen the Balance Sheet as of the same date with the report thereon by its auditors, Messrs. Black, Hanson & Company, Chartered Accountants. The above Consolidated Balance Sheet is, in our opinion, properly drawn up so as to exhibit the true consolidated position of Blue Ribbon Corporation Limited and the three Subsidiaries as at 30th June, 1944, according to the best of our information and the explanations given to us and as shown by the books of the Companies whose accounts we have examined and the report of Messrs. Black, Hanson & Company above referred to.

Toronto, Ontario,
15th August, 1944.

WILTON C. EDDIS & SONS,

Chartered Accountants.

BLUE RIBBON CORPORATION LIMITED

CONSOLIDATED SURPLUS ACCOUNT

FOR YEAR ENDING - 30TH JUNE, 1944

Balance at Credit, 30th June, 1943	\$575,157.94
Add: Profit for Year, before Depreciation and Income and Excess Profits Taxes (after \$610.00 for Legal Fees and \$75,570.00 for Salaries of ten full time Executive Officers of the Company and its Subsidiaries)	\$557,544.89
Less: Depreciation, Building, Plant and Trucks	\$ 66,096.64
Special Reserve against Future Decline in Inventory Values	29,000.00
Provision for Income and Excess Profits Taxes	145,551.92
	<hr/> 240,648.56
	116,896.55
	<hr/> \$490,054.27
Less Dividends paid on Preference Shares, 5%	74,625.00
Balance, 30th June, 1944, being Earned Surplus	<hr/> \$415,409.27



Blue Ribbon Limited

Winnipeg - Vancouver - Edmonton
Calgary

Manufacturing and Merchandising
Tea, Coffee, Baking Powder, Extracts,
Jelly Powders, Spices.

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Pure Gold Mfg. Co. Limited

Toronto

Manufacturing and Merchandising
Tea, Coffee, Baking Powder, Extracts,
Jelly Powders, Chocolate, Peanut
Butter, Cocoa, Spices.

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Willáards Chocolates Limited

Toronto - Winnipeg - Montreal
Vancouver

Manufacturing and Merchandising
A Complete Line of Confectionery
including the famous
Sweet Marie Nut Roll.

BLUE RIBBON CORPORATION LIMITED

BOARD OF DIRECTORS

J. Ball	-	-	-	-	-	C. E. Spooner
Col. J. F. Michie	-	-	-	-	-	A. C. Matthews
F. T. Moore	-	-	-	-	-	W. Hood
J. R. Wright						

Chairman of the Board	-	-	-	-	-	C. E. Spooner
President	-	-	-	-	-	J. Ball
Vice-President	-	-	-	-	-	A. C. Matthews

Bankers

The Canadian Bank of Commerce

Transfer Agent

The Toronto General Trusts Corporation

Registrar

National Trust Company, Limited

Auditors

Wilton C. Eddis and Sons