

BLUE RIBBON CORPORATION LIMITED



ANNUAL REPORT
CONSOLIDATED BALANCE SHEET
AND SURPLUS ACCOUNT
FOR YEAR ENDING 30TH JUNE, 1945

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ANNUAL REPORT

Toronto, Canada, September 12th, 1945.

TO THE SHAREHOLDERS OF BLUE RIBBON CORPORATION LIMITED:

The 15th Annual Report of the Corporation is herewith 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, 1945.

During the year Bonds to the value of \$750,000.00 were issued and sold.

After providing for all taxes, depreciation on plants and buildings, and taking care of all operating expenses, the net earnings for the year amounted to \$144,288.03, compared with \$116,896.33 for the previous year.

Dividends at the rate of 5% per annum were paid quarterly on the preferred shares outstanding amounting to \$67,151.87. Bond interest paid and accrued to the 30th June, 1945, amounted to \$12,954.21. The expenses of the bond issue were written off in full. After making provision for the above mentioned charges, \$31,240.01 was transferred to the Surplus Account.

Since our last Shareholders Meeting, we regret having to report the death of Mr. A. C. Matthews, our Vice-President. Mr. J. Bruce MacKinnon was appointed a Director to fill the vacancy until the next Annual Meeting.

The combined sales of the three companies show considerable increase, especially on branded lines. Many raw materials are still in short supply and such commodities as sugar will probably continue so for another year or longer. However, we look forward with confidence to the future.

Again we express our appreciation to all members of our staff for their loyal support during a very trying period.

C. E. SPOONER,
Chairman of the Board.

J. BALL,
President.

BLUE RIBBON CORPORATION LIMITED
AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET - 30TH JUNE, 1945

ASSETS		LIABILITIES	
Current Assets:		Current Liabilities:	
Cash on Hand and in Banks	\$ 518,092.60	Bank Advances (Secured \$80,000.00)	\$ 177,529.93
Dominion of Canada 5% Bonds	121,800.00	Accounts Payable	515,413.12
Accounts Receivable, less Reserve	526,222.94	Provision for Income and Excess Profits Taxes	157,996.42
Inventories of Merchandise and Supplies, valued at cost as determined and certified to by the Management	\$1,516,551.59	First Mortgage Serial Bond due 1st December, 1945	25,000.00
Less Reserve against Future Decline in Inventory Values	104,000.00	Bond Interest Accrued	3,801.66
	1,212,551.59		679,741.13
Prepaid Insurance and Taxes	15,455.29	Minority Interest in Subsidiary Company	25,128.50
	<u>\$2,194,120.42</u>	First Mortgage Bonds:	
Stocks and Bonds of Customer Companies	56,155.18	2½ to 3% Serial Bonds due 1946 to 1954 inclusive	\$ 225,000.00
Land, Buildings, Machinery and Equipment	2,552,545.68	4½% Twenty-Year Sinking Fund Bonds due 1964	500,000.00
In Western Canada—as appraised by Sterling Appraisal Co. Ltd., 1928,			725,000.00
In Ontario—part as appraised by Wesley E. Barker and by Canadian Appraisal Co. Ltd., 1924, and part by Sterling Appraisal Co. Ltd., 1950,		Capital Stock:	
Plus Additions to date at cost,		Authorized:	
Less Reserve for Depreciation	1,019,937.20	40,000 Shares of 5% Cumulative Convertible Redeemable Participating Preferred Stock of \$50.00 each, less 12,795 shares redeemed,	
	1,512,608.48	150,000 Common Shares of No Par Value,	
Trade Marks, Patent Rights and Goodwill	1.00	Issued and Out-standing:	
Deferred Charges	25,779.91	17,057 Preferred Shares of \$50.00 each	\$ 852,850.00
Refundable Portion of Excess Profits Tax, estimated	67,655.00	65,473 Common Shares of No Par Value	859,067.54
	<u>\$3,654,297.99</u>		\$1,691,917.54
		Earned Surplus	446,649.28
Signed on behalf of the Board,		Deferred Surplus re Refundable Portion of Excess Profits Tax	65,861.74
J. BALL,			<u>2,204,428.56</u>
C. E. SPOONER,			<u>\$3,654,297.99</u>
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, 1945, 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, 1945, 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.

WILTON C. EDDIS & SONS,

Chartered Accountants,

Toronto, Ontario, 24th August, 1945.

BLUE RIBBON CORPORATION LIMITED

CONSOLIDATED SURPLUS ACCOUNT FOR YEAR ENDING - 30TH JUNE, 1945

Balance at Credit, 30th June, 1944		\$415,409.27
Add:		
Profit for Year, before Depreciation and Income and Excess Profits Taxes but after \$76,053.00 for Salaries of eleven full-time Executive Officers of the Company and its Subsidiaries		\$445,520.53
Less:		
Depreciation, Buildings, Plant and Trucks	\$ 71,148.15	
Provision for Income and Excess Profits Taxes	230,084.35	
	<u>301,232.50</u>	
		<u>144,288.05</u>
		\$559,697.50
Deduct:		
Dividends Paid on Preference Shares at 5%	\$ 67,151.87	
Bond Interest Paid and Accrued to 30th June, 1945	12,954.21	
Bond Issue Expenses and Discount on Sale, less dis- count on certain Preferred Shares Redeemed	32,941.94	
	<u>115,048.02</u>	
Balance, 30th June, 1945, being Earned Surplus		<u><u>\$446,649.28</u></u>



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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Willárd's 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	-	-			J. Bruce MacKinnon
F. T. Moore	-	-	-		W. Hood
J. R. Wright					

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

Bankers

The Canadian Bank of Commerce

The Dominion Bank

Transfer Agent

The Toronto General Trusts Corporation

Registrar

National Trust Company, Limited

Auditors

Wilton C. Eddis and Sons