

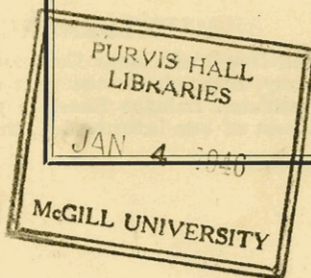
Canada and Dominion Sugar
Company, Limited
and its Subsidiaries

Chatham - - Ontario



Consolidated
Annual Statements

31st January, 1938



CANADA AND DOMINION SUGAR COMPANY, LIMITED

AND ITS SUBSIDIARIES

(Incorporated Under The Dominion Companies Act)

Consolidated Balance Sheet, 31st January 1938

ASSETS

CURRENT:		
Cash on hand and in banks	\$ 3,073,745.12	
Investment in bonds issued or guaranteed by the Dominion of Canada at cost or par value (market value \$9,890,131) Interest accrued thereon	9,224,207.25 113,772.91	
Accounts receivable	\$ 566,737.54	
Less reserve for possible credit losses	62,000.00	504,737.54
Inventories of sugar, alcohol, by-products and supplies as determined and certified by company officials and valued at the lower of cost or market values		2,919,620.60
FIXED:		\$15,836,083.42
Land, buildings, plant and equipment (as appraised by Canadian Appraisal Company, Limited, on 30th April, 1931) with subsequent additions at cost	\$ 8,368,445.91	
Less reserve for depreciation	3,391,570.82	4,976,875.09
PENSION FUND:		
Investment in bonds of Province of Ontario at cost (market value \$48,125)	\$ 48,187.50	
Cash	52,144.05	100,331.55
OTHER ASSETS: (including loans to employee shareholders \$3,368.47)		
		96,181.95
		<u>\$21,009,472.01</u>

LIABILITIES

CURRENT:		
Accounts payable and accrued charges:		
General	\$ 207,757.90	
Dominion Government excise tax	172,669.82	
Reserve for Dominion and Provincial income and corporation taxes	540,296.40	\$ 920,724.12
RESERVES:		
Contingencies	\$ 1,975,000.00	
Insurance	300,000.00	
Pensions, see contra	100,331.55	2,375,331.55
CAPITAL:		
Authorized—1,000,000 shares—no par value		
Issued 500,000 shares	\$14,000,000.00	
Distributable Surplus Set Aside on Organization of Company	\$ 1,000,000.00	
EARNED SURPLUS	2,713,416.34	3,713,416.34
		<u>\$21,009,472.01</u>

Approved on behalf of the Board.

C. H. HOUSON, Director
W. J. MCGREGOR, Director

Consolidated Statement of Income and Expenditure

FOR YEAR ENDING 31st JANUARY, 1938

Net operating profit after all charges		\$ 2,467,677.48
Add:		
Interest on investments	\$ 373,935.39	
Less:		
Loss on disposal of fixed assets (net)	\$ 6,383.87	
Loss on sale of investments	1,562.50	\$ 7,946.37
		<u>365,989.02</u>
		\$ 2,833,666.50
Deduct reserve for Dominion and Provincial income taxes.....		499,000.00
Net profit for year carried to consolidated earned surplus account		<u>\$ 2,334,666.50</u>

Note:

The net profits shown above are after charging the following:

Depreciation	\$ 494,435.19
Directors' fees	17,400.00
Remuneration of executive officers' and solicitors' fees	77,179.15

Consolidated Earned Surplus Account

31st JANUARY, 1938

Balance 31st January, 1937		\$ 1,678,749.84
Profit for year ending 31st January, 1938, after all charges including provision for income taxes	\$ 2,334,666.50	
Less:		
Reserved for contingencies	\$250,000.00	
Reserved for pensions	50,000.00	300,000.00
		<u>2,034,666.50</u>
		\$ 3,713,416.34
Deduct dividends:		
In addition to four quarterly dividends for the year ending 31st January, 1938, amounting to \$750,000, declared and deducted from surplus at 31st January, 1937, two dividends of \$1 per share each were declared and paid.....		1,000,000.00
Balance 31st January, 1938		<u>\$ 2,713,416.34</u>

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the accounts of Canada and Dominion Sugar Company, Limited, and its subsidiaries, Montreal Products Company, Limited, Dominion Sugar Company, Limited, and The Canada Sugar Refining Company, Limited, for the year ending 31st January, 1938, and have received all the information and explanations we have required. We report that in our opinion the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the combined Companies' affairs at 31st January, 1938, according to the best of our information, the explanations given us and as shown by the books of the Companies.

Toronto, Canada,
11th March, 1938.

CLARKSON, GORDON, DILWORTH AND NASH,
Chartered Accountants.

