



Holt, Renfrew
& COMPANY LIMITED

ANNUAL REPORT

For the year ended January 31, 1943

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HOLT, RENFREW & COMPANY LIMITED

Head Office: 1300 SHERBROOKE ST. WEST
MONTREAL

Directors

LIEUT.-COL. G. HAROLD AIKINS, K.C.
L. J. ADJUTOR AMYOT
HENRY BORDEN, K.C.
GEORGE B. FOSTER, K.C.
R. G. LIDDY
JOHN G. McCONNELL
RT. HON. ARTHUR MEIGHEN, K.C., P.C.
ALVIN J. WALKER
R. HOWARD WEBSTER

Officers

ALVIN J. WALKER
President and Managing Director

JOHN G. McCONNELL
Vice-President

R. G. LIDDY
Secretary-Treasurer

Branches

QUEBEC - MONTREAL - TORONTO
WINNIPEG - OTTAWA

Annual Report of the Board of Directors

of

HOLT, RENFREW & CO. LTD.

*for the year ended January 31st, 1943,
submitted to the Shareholders of the Company
at the Annual Meeting held on March 29th, 1943.*

Your Directors submit herewith the Annual Report and Financial Statement of your Company as audited and certified by Messrs. Price, Waterhouse & Company.

The balance of profit transferred to Earned Surplus Account is \$94,231.48 after providing for Mortgage and Other Interest, Depreciation of Buildings and Furniture and Fixtures, and Alterations, and \$80,000.00 for Income and Excess Profits Taxes and \$20,000.00 for Contingencies.

During the year we purchased a business in Ottawa, Ontario, which is being operated by us under the name of "Simon Furs."

Your properties have been kept in the usual good condition.

The volume of sales has been satisfactory and working capital has improved. Stocks of merchandise are well assorted and saleable, although it is becoming increasingly difficult to obtain supplies.

It is with regret that we record the death during the year of Mr. W. H. McWilliams, who has been a Director of the Company since 1919.

Your Directors appreciate and acknowledge the loyal and efficient services of the employees during the year, performed under increasingly difficult circumstances.

Respectfully submitted on behalf of the Board of Directors.

ALVIN J. WALKER,
President and Managing Director.

HOLT, RENFREW & COMPANY LIMITED

BALANCE SHEET, JANUARY 31st, 1943

Assets

CAPITAL ASSETS:

| | |
|---|-----------------------|
| Land and Buildings..... | \$1,176,363.50 |
| Furniture and Fixtures, Automobiles, etc., less Depreciation..... | 110,524.91 |
| | <u>\$1,286,888.41</u> |

NOTE:—Under date of January 31, 1943, Canadian Appraisal Co., Limited, valued the properties at a depreciated value of \$1,632,768.89.

| | | |
|---------------|-------------------|----------------|
| Goodwill..... | 772,453.79 | |
| | <u>772,453.79</u> | \$2,059,342.20 |

CURRENT ASSETS:

| | |
|--|----------------------|
| Inventories of Skins, Manufactured Furs, etc., as valued by the Management at or below cost..... | \$ 892,105.38 |
| Prepayments on Goods on Order..... | 47,710.84 |
| | <u>\$ 939,816.22</u> |

| | |
|--|---------------------|
| Trade Accounts Receivable, less Reserve..... | 427,537.50 |
| Other Accounts Receivable, less Reserve..... | 61,353.59 |
| Cash Deposit with Fire Insurance Underwriters..... | 63,738.56 |
| Dominion of Canada Bonds, at Cost..... | 100,000.00 |
| Cash on hand and with Bankers..... | 95,219.28 |
| | <u>1,687,665.15</u> |

| | |
|--|-----------|
| INVESTMENT in and advances to Huron Manufacturing Co. Ltd..... | 44,802.64 |
|--|-----------|

| | |
|---|--------|
| REFUNDABLE Portion of Excess Profits Tax..... | 553.16 |
|---|--------|

DEFERRED CHARGES:

| | |
|--|------------------|
| Taxes, Insurance and Expenses paid in advance..... | \$ 18,229.42 |
| Alterations to Premises, Unamortized Balance..... | 38,213.21 |
| | <u>56,442.63</u> |

\$3,848,805.78

Approved on behalf of the Board:

A. J. WALKER, Director.

R. G. LIDDY, Director.

Liabilities

CAPITAL STOCK:

| | |
|--|----------------|
| Seven per cent Cumulative Preferred—Authorized and Issued: 10,000 shares of \$100.00 each..... | \$1,000,000.00 |
|--|----------------|

NOTE:—PREFERRED DIVIDEND PAID TO DECEMBER 31, 1932.

Common—

| | |
|--|-----------------------|
| Authorized and Issued: 10,000 shares of \$100.00 each..... | 1,000,000.00 |
| | <u>\$2,000,000.00</u> |

MORTGAGE PAYABLE 5% maturing in semi-annual instalments from April 1, 1943, and balance of \$217,875.00 due October 1, 1947.....

311,250.00

CURRENT LIABILITIES:

| | |
|--|-------------------|
| Bank Loan..... | \$ 112,485.50 |
| Accounts Payable and Accrued Liabilities..... | 272,242.49 |
| Prepaid Storage and Sundry Credit Balances..... | 25,351.74 |
| Accrued Mortgage Interest..... | 5,187.48 |
| Provision for Income and Profits Taxes, (Less Prepayments), and Contingencies..... | 67,087.69 |
| | <u>482,354.90</u> |

RESERVE:

| | |
|--------------------------------|------------|
| Depreciation of Buildings..... | 195,000.00 |
|--------------------------------|------------|

DEFERRED SURPLUS:

| | |
|--|--------|
| Refundable Portion of Excess Profits Tax (Contra)..... | 553.16 |
|--|--------|

EARNED SURPLUS:

| | |
|-----------------------------|------------|
| per statement attached..... | 859,647.72 |
|-----------------------------|------------|

\$3,848,805.78

CONTINGENT LIABILITY:

| | |
|---------------------------------|---------------|
| Trade Paper under Discount..... | \$ 420,444.77 |
|---------------------------------|---------------|

HOLT, RENFREW & COMPANY LIMITED

Statement of Profit and Loss and Surplus for the year ending January 31, 1943

| | | | |
|---|----|------------|------------|
| Profit from Operations after deducting Selling, General and Administration Expenses, (including Goodwill of business acquired, \$5,000.00), and making provision for Income and Excess Profits Taxes..... | | \$ | 224,654.38 |
| DEDUCT: | | | |
| Mortgage Interest..... | \$ | 15,994.75 | |
| Other Interest (Net)..... | | 6,504.98 | |
| | | | 22,499.73 |
| Profit after interest and before depreciation..... | | \$ | 202,154.65 |
| DEDUCT: | | | |
| Depreciation of Furniture and Fixtures and Automobiles..... | \$ | 24,041.43 | |
| Depreciation of Buildings..... | | 35,000.00 | |
| Amount written off Alterations to Premises..... | | 28,881.74 | |
| | | | 87,923.17 |
| Net Profit for the year..... | \$ | | 114,231.48 |
| Provision for Contingencies..... | | | 20,000.00 |
| Balance of Profit..... | \$ | | 94,231.48 |
| Surplus—January 31, 1942..... | \$ | 761,914.33 | |
| Add: Adjustments in respect of prior years..... | | 3,501.91 | |
| | | | 765,416.24 |
| Surplus—January 31, 1943..... | \$ | | 859,647.72 |

HOLT, RENFREW & COMPANY LIMITED

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of Holt, Renfrew & Company Limited in Montreal, Winnipeg and Ottawa for the year ending January 31, 1943, and have been furnished with a Balance Sheet and Profit & Loss Account of the Toronto and Quebec Branches certified to by the Chartered Accountants who audited the books of these Branches. We have obtained all the information and explanations which we have required, and we report that in our opinion the above Balance Sheet at January 31, 1943, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company which we have examined and the Certified Accounts of the Branches which were furnished to us.

PRICE, WATERHOUSE & CO.,
Auditors.

MONTREAL, March 15, 1943.

