



Holt, Renfrew
& COMPANY LIMITED

ANNUAL REPORT

For the year ended January 31, 1944

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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., LIMITED

*for the year ended January 31st, 1944,
submitted to the Shareholders of the Company
at the Annual Meeting held on March 25th, 1944.*

Your Directors submit herewith the Annual Report and Financial Statement for the year ended January 31st, 1944, as audited by Messrs. Price, Waterhouse and Co.

The net profits for the year after operating expenses, provision for depreciation, and Income and Excess Profits Taxes, but before payment of dividends amounts to \$100,650.14. The dividend on preferred shares amounting to \$70,000 was paid for the twelve months ended December 31st, 1943. There was therefore no increase in the arrears during the period under review.

Earned surplus has been increased by \$23,470.35 to \$883,118.07 and the refundable portion of Excess Profits Tax is now \$23,933.73.

The volume of sales has been well maintained, our inventories are current and very well assorted; working capital has been increased and your properties have been kept in good condition.

The Directors greatly appreciate and sincerely thank the employees for the generous and untiring efforts they have rendered to the Company during the year.

Respectfully submitted on behalf of the Board of Directors.

ALVIN J. WALKER,
President and Managing Director.

HOLT, RENFREW & COMPANY LIMITED
BALANCE SHEET, JANUARY 31st, 1944

Assets

CAPITAL ASSETS:

Land and Buildings..... \$1,176,244.81
Furniture and Fixtures, Automobiles, etc., less Depreciation..... 91,573.25

\$1,267,818.06

NOTE:—Under date of January 31, 1944, Canadian Appraisal Co., Limited, valued the properties at a depreciated value of \$1,691,964.50.

Goodwill..... 772,453.79

\$2,040,271.85

CURRENT ASSETS:

Inventories of Skins, Manufactured Furs, etc., as determined and valued by the Management at or below cost..... \$1,451,872.88

Trade Accounts Receivable, less Reserve..... 173,655.94

Other Accounts Receivable, less Reserve..... 72,473.59

Cash Deposit with Fire Insurance Underwriters..... 67,133.08

Dominion of Canada Bonds, at Cost..... 175,000.00

Cash on hand and with Bankers..... 98,024.63

2,038,160.12

INVESTMENT in and advances to Huron Manufacturing Co. Ltd.....

38,588.41

REFUNDABLE Portion of Excess Profits Tax.....

23,933.73

DEFERRED CHARGES:

Taxes, Insurance and Expenses paid in advance..... \$ 19,000.92

Alterations to Premises, Unamortized Balance..... 14,124.27

33,125.19

\$4,174,079.30

Liabilities

CAPITAL STOCK:

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

NOTE:—Preferred Dividends in arrears amount to \$700,000.00.

Common—

Authorized and Issued: 10,000 shares of \$100.00 each... 1,000,000.00

\$2,000,000.00

MORTGAGE PAYABLE 5% — maturing in semi-annual instalments from April 1, 1944, and balance of \$217,875.00 due October 1, 1947.....

290,500.00

CURRENT LIABILITIES:

Bank Loan..... \$ 192,672.60

Accounts Payable and Accrued Liabilities..... 327,184.62

Prepaid Storage, Interest and Sundry Credit Balances..... 39,646.63

Accrued Mortgage Interest..... 4,841.68

Provision for Income and Profits Taxes, (Less Prepayments), and Contingencies..... 182,181.97

746,527.50

RESERVE:

Depreciation of Buildings..... 230,000.00

DEFERRED SURPLUS:

Refundable Portion of Excess Profits Tax (Contra)..... 23,933.73

EARNED SURPLUS:

per statement attached..... 883,118.07

\$4,174,079.30

Approved on behalf of the Board:

A. J. WALKER, Director.

R. G. LIDDY, Director.

CONTINGENT LIABILITY:

Trade Paper under Discount..... \$ 529,007.17

HOLT, RENFREW & COMPANY LIMITED

Statement of Profit and Loss and Surplus for the year ending January 31, 1944

Profit from Operations after deducting Selling, General and Administration Expenses, and making provision for Income and Excess Profits Taxes.....		\$ 186,747.12
DEDUCT:		
Mortgage Interest.....	\$ 14,957.30	
Less: Interest Earned (Net).....	11,765.01	
	<hr/>	3,192.29
Profit after interest and before depreciation.....		\$ 183,554.83
DEDUCT:		
Depreciation of Furniture and Fixtures and Automobiles.....	\$ 22,791.46	
Depreciation of Buildings.....	35,000.00	
Amount written off Alterations to Premises.....	25,113.23	
	<hr/>	82,904.69
Net Profit for the year.....		\$ 100,650.14
Surplus—January 31, 1943.....	\$ 859,647.72	
Deduct: Adjustments in respect of prior years.....	7,179.79	
	<hr/>	\$ 852,467.93
Deduct: Preferred Dividends Paid	\$ 70,000.00	
	<hr/>	782,467.93
Surplus—January 31, 1944.....		\$ 883,118.07

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, 1944, 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, 1944, 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 13, 1944.

