

**T. G. BRIGHT & CO.
LIMITED**

AND SUBSIDIARY COMPANIES

**T. G. BRIGHT (QUEBEC) Limited
Lachine, Quebec**

**T. G. BRIGHT (WESTERN) Limited
Regina, Sask.**



*Financial Statement for Year ended
July 31st, 1936*

LIBRARY USE ONLY

**Report of the Directors to the Shareholders of
T. G. BRIGHT & CO. LIMITED
for the year ended July 31st, 1936**

This is the fourth Directors' report that, as President, I have had the pleasure of presenting for your attention, and this year again finds your Company financially sound, holding well balanced inventories and with its plant and equipment in good condition.

Last year, I directed your attention to the increase in percentage of current liabilities to current assets: this year, I am pleased to report a decline.

Bank borrowings have decreased \$37,000.00, which means your Company has financed the 1935 vintage and 1936 sugar purchases out of current earnings, and provided from the same source, \$51,000.00 for additions to fixed assets, \$15,000.00 of which was for machinery and equipment account, and \$36,000.00 for further development of farm properties.

The main expenditures for machinery and equipment cover:

At Niagara Falls:

Screw Press and Accessories	\$5,500.00
Sprinkler Installation in Sugar Warehouse	640.00
Tank Car Equipment	2,600.00
Automatic Stoker	1,827.00

Retail Store Equipment

.....	1,100.00
-------	----------

At Lachine:

Bottle Washer	1,400.00
---------------------	----------

The considerable savings in costs already effected by the installation of the screw press more than justify the outlay in this connection, the sprinkler installation was of course necessary to round out the fire protective programme, and the tank car equipment to facilitate the movement of wine between your three plants. The amount of \$1,100.00 covers equipment purchased for the Company's Hamilton store. The installation of a washer at your Lachine Plant effects economies in bottling supplies; results to date justify the expenditure.

In my report at our last general meeting, I mentioned we anticipated planting a further 375 acres of vineyards. After reviewing the situation, your Directors decided to decrease this considerably, and do not at this time contemplate proceeding with further developments, but instead to concentrate on the acreage already planted. The \$36,000.00 previously mentioned was for development work throughout the year.

With the acquisition of two additional retail outlets we now have four retail branches.

Trading operations this year reflect the forecast in my last report that the freer sale of beer, and the reduced taxation on spirituous liquors were adversely affecting the wine industry.

One other item calling for marked attention is the very heavy taxation borne by the industry: for instance, in the past year, your Company paid

Direct Taxes	\$217,000.00
Municipal Taxes	11,000.00
Income and Corporation Taxes	41,000.00
 a total of	 \$269,000.00

or an amount in excess of four times the net earnings for the current year.

In order to once more place the wine industry on a competitive basis, it is absolutely necessary that the shareholders urge a repeal of those taxes which now strangle the industry and operate against the grape producer. As in my last report, I again suggest it is to our direct benefit to interest yourself in a subject so vitally affecting your Company and the industry as a whole.

The Directors wish to express their appreciation of the efforts of the staff and employees.

All of which is respectfully submitted,

H. C. HATCH,
President.

Stamford Township,
October 19th, 1936.

T. G. BRIGHT &
AND SUBSIDIARIES

Consolidated Balance Sheet
ASSETS

CURRENT ASSETS:

Cash on hand and in banks \$ 7,055.52

Accounts receivable—

Trade \$132,763.56

Sundry 4,526.76

Advances for travelling expenses 700.00

137,990.32

Inventories of wine in storage, cased goods, raw materials and supplies, at the lower of cost or market values, determined by and certified to by responsible officers of the Company 836,890.77

\$981,936.61

CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES 3,000.00

FIXED ASSETS:

At depreciated values as reported by Canadian Appraisal Company, Limited, under date of August 16, 1933, with subsequent additions at cost:

Particulars	As at August 1, 1935	Net additions during the year	As at July 31, 1936
Land	\$ 4,271.50		\$ 4,271.50
Buildings	217,093.92	\$ 749.67	216,344.25
Storage tanks	148,417.07	602.01	147,815.06
Machinery and equipment	194,772.52	14,927.53	209,700.05
Farm properties and equipment	148,566.16	36,316.29	184,882.45
	<hr/> \$713,121.17	<hr/> \$49,892.14	<hr/> \$763,013.31

<i>Less</i> —Reserve for depreciation	66,145.85	106,711.18
	<hr/> \$646,975.32	<hr/> 656,302.13

GOODWILL, ETC.:

Balance, August 1, 1935 \$ 87,569.37

Excess of par value over cost of 60 preferences shares
redeemed during the year 1,081.00

86,488.37

DEFERRED CHARGES:

Prepaid insurance premiums

\$ 17,429.58

Prepaid taxes

2,547.23

Prepaid vintage expenses

24,867.21

Licenses purchased, building improvements, and alterations to leased premises, less amounts written off ..

45,276.77

Sundry deferred charges

8,834.56

98,955.35

\$1,826,682.46

To the Shareholders of T. G. BRIGHT & CO. LIMITED:

We have examined the books and accounts of T. G. Bright & Co. Limited, Bright (Western) Limited, for the year ending July 31, 1936, and report so as to exhibit a true and correct view of the state of the affairs of the combination to us, and as shown by the books of the companies. All our requirements as

Toronto, October 7, 1936.

CO. LIMITED
COMPANIES

July 31st, 1936
LIABILITIES

CURRENT LIABILITIES:

Bank advances	\$263,150.82
Sales, excise and property taxes accrued	18,251.27
Accounts payable and accrued liabilities	47,415.05
Provision for Dominion and Provincial income taxes..	24,753.90
	<hr/>
	\$353,571.04

MORTGAGES ON FARMS	25,391.46
RESERVE FOR CONTINGENCIES	33,761.11

CAPITAL STOCK AND SURPLUS:

Six per cent. cumulative redeemable
preference shares (redeemable at par
on any dividend date on 15 days'
notice):

Authorized—

27,822 shares of \$100.00 each.... \$2,782,200.00

Issued—

7,882 shares of \$100.00 each at August 1, 1935 \$788,200.00

60 shares of \$100.00 each redeemed during
the year

6,000.00

7,822

\$782,200.00

Common shares without nominal or par value:

Authorized—

300,000 shares.

Issued—

100,000 shares

500,000.00

Earned surplus, per statement attached.....

131,758.85

1,413,958.85

\$1,826,682.46

ed and its subsidiary companies, T. G. Bright (Quebec) Limited and T. G.
at, in our opinion, the above consolidated balance sheet is properly drawn up
d companies, according to the best of our information and the explanations given
auditors have been complied with.

PRICE, WATERHOUSE & CO., Chartered Accountants.

T. G. BRIGHT & CO. LIMITED

AND SUBSIDIARY COMPANIES

Consolidated Statement of Profit Loss and Surplus for the year ending July 31, 1936

PARTICULARS	AMOUNT
Combined profit from operations, after charging all manufacturing, selling and administrative expenses, but before providing for depreciation and income taxes.....	\$128,296.60
DEDUCT:	
Provision for depreciation	\$34,970.24
Provision for income taxes	24,753.90
	59,724.14
<i>Net profit for the year</i>	<i>\$ 68,572.46</i>
<i>Add—Surplus as at August 1, 1935</i>	<i>140,313.39</i>
	208,885.85
DEDUCT:	
Dividends on cumulative preference shares at the rate of 6 per cent. per annum.....	\$47,127.00
Dividends on no par value common shares, being 30 cents per share for the year....	30,000.00
	77,127.00
<i>Earned surplus as at July 31, 1936.....</i>	<i>\$131,758.85</i>

T. G. BRIGHT & CO. LIMITED

The Annual Meeting of the Shareholders of T. G. BRIGHT & CO., LIMITED, will be held at the head office of the Company, Dorchester Road, Stamford Township, adjacent to Niagara Falls, Ontario, on Friday, the 20th day of November, 1936, at the hour of 12 o'clock noon, for the purpose of receiving and considering the report of the Directors of the Company and the balance-sheet and auditors' report for the fiscal period ending July 31st, 1936, electing Directors for the ensuing year, the appointment of auditors and the transaction of such other business as may properly come before the meeting. If you are not able to be present, kindly sign and return the annexed proxy.

DATED at Stamford Township, Ontario, this 19th day of October, 1936.

By Order of the Board,

VICTOR MOLLISON,
Secretary.

I,
a Shareholder in T. G. BRIGHT & CO., LIMITED, do hereby appoint H. C. HATCH, President, and E. A. THOMAS, Vice-President, or either of them, as my proxies and proxy, to vote for me and on my behalf in respect of all shares of the said Company then standing in my name on the books of the Company, at the Annual General Meeting of the Shareholders of the Company to be held on Friday, the 20th day of November, 1936, at the hour of 12 o'clock noon, and at any and all adjournments thereof.

DATED this day of 1936.

.....
Signature of Shareholder

.....
Address

.....
Witness

DIRECTORS

H. C. HATCH, Toronto
President

E. A. THOMAS, Niagara Falls
Vice-President

DR. JOHN R. EOFF, JR., Niagara Falls
Vice-President

W. J. HUME, Walkerville

T. H. GIBBONS, Walkerville

WARD WRIGHT, K.C., Toronto

V. MOLLISON, Niagara Falls
Secretary

M. F. JONES, Niagara Falls
Comptroller