

T. G. BRIGHT & CO.
LIMITED

And Subsidiary Companies



LIBRARY USE ONLY

Consolidated Annual Accounts
as at July 31, 1938

T. G. BRIGHT

AND SUBSIDIARIES

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on hand and in banks.....	\$ 36,915.92
Marketable securities, pledged as collateral for bank advances (quoted market value July 31, 1938, \$215,000.00)	203,074.08
Accounts receivable—	
Trade	\$250,492.75
Sundry	6,790.29
Advances for travelling expenses	1,349.60
	258,632.64
Inventories of wine in storage and on consignment, cased goods, raw materials and supplies at the lower of cost or market values, as determined and certified to by responsible officers of the Company	644,217.95
	\$1,142,840.59
CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES	30,459.50

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, 1937	Net additions during year	As at July 31, 1938
Land	\$ 4,271.50		\$ 4,271.50
Buildings	216,344.25		216,344.25
Storage tanks	147,971.28	25.00	147,946.28
Machinery and equipment, etc.	216,316.96	12,893.12	229,210.08
Farm properties	215,284.73	37,592.86	252,877.59
Automobiles and truck		10,649.57	10,649.57
Deposit on offer to purchase property		2,500.00	2,500.00
	\$800,188.72	\$63,610.55	\$863,799.27
Less—Reserve for depreciation	148,365.00	46,089.68	194,454.68
	\$651,823.72	\$17,520.87	\$669,344.59

GOODWILL, ETC.:.....

Balance, August 1, 1937.....	\$ 86,266.37	
Less—Amount charged to Surplus during the year.....	86,265.37	1.00

DEFERRED CHARGES:

Licenses purchased, building improvements and alterations to leased premises, less amounts written off	\$ 80,091.66
Prepaid vintage expense	45,777.30
Prepaid insurance premiums	13,474.57
Prepaid taxes	7,207.31
Sundry deferred charges	6,711.58
	153,262.42
	\$1,995,908.10

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

We have made an examination of the consolidated balance sheet of T. G. Bright & Co. Limited and its subsidiary companies in connection therewith we examined the books and accounts of the companies and made extensive tests of the record of detailed transactions and our requirements as auditors have been complied with, and we report that, in our opinion, based upon the examination indicated so as to exhibit a true and correct view of the state of the affairs of the combined companies as at July 31, 1938, and the results as shown by the books of the companies.

Toronto, September 20, 1938.

& CO. LIMITED

RY COMPANIES

July 31, 1938

LIABILITIES

CURRENT LIABILITIES:

Bank advances (of which \$209,513.53 is secured by hypothecation of marketable securities)	\$319,513.53
Sales, excise and property taxes accrued	14,211.54
Accounts payable and accrued liabilities	45,282.64
Provision for Dominion and Provincial income and capital taxes	46,905.80
	<u>\$ 425,913.51</u>

MORTGAGES ON FARMS 19,631.26

RESERVE FOR CONTINGENCIES 49,243.79

CAPITAL STOCK AND SURPLUS:

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

Authorized—

27,811 shares of \$100.00 each.....\$2,781,100.00

Issued—

7,811 shares of \$100.00 each\$781,100.00

Common shares without nominal or par value:

Authorized—

300,000 shares.

Issued—

100,000 shares 500,000.00

Earned surplus, per statement attached 220,019.54
1,501,119.54

\$1,995,908.10

panies as at July 31, 1938, and of the consolidated statement of profit and loss and surplus for the year ending on that date. In transactions; we also made a general review of the accounting methods and of the operating and income accounts for the year. All the above consolidated balance sheet and related consolidated statement of profit and loss and surplus are properly drawn up of the operations for the year ended on that date, according to the best of our information and the explanations given to us

PRICE, WATERHOUSE & CO., Auditors.

T. G BRIGHT & CO. LIMITED

AND SUBSIDIARY COMPANIES

Consolidated Statement of Profit and Loss and Earned Surplus for the year ending July 31, 1938.

PARTICULARS	AMOUNT
Combined profit from operations, after charging all manufacturing, selling and administrative expenses, but before providing for depreciation and income taxes	\$263,207.74
DEDUCT:	
Provision for depreciation	\$48,870.48
Add — Farm depreciation deferred at July 31, 1937	5,492.53
	<u>\$54,363.01</u>
Deduct—Farm depreciation deferred at July 31, 1938	7,965.07
	<u>\$46,397.94</u>
Provision for income taxes.....	44,900.00
	<u>91,297.94</u>
Net profit for the year	\$171,909.80
Add: Earned surplus at August 1, 1937	211,241.11
	<u>\$383,150.91</u>
DEDUCT:	
Amount of Goodwill written off	86,265.37
	<u>\$296,885.54</u>
DEDUCT ALSO—	
Dividends on cumulative preference shares at the rate of 6 per cent. per annum	\$46,866.00
Dividends on no par value common shares, being 30 cents per share for the year	30,000.00
	<u>76,866.00</u>
Earned surplus at July 31, 1938	<u><u>\$220,019.54</u></u>