

stack

The  
St. Lawrence Flour Mills Co.  
Limited



ANNUAL STATEMENT  
1950

FOURTH FLOOR  
LIBRARIES  
NOV 16 1950  
McGILL UNIVERSITY



## Directors and Officers

-⊕-

President  
G. W. GRIER

Vice-President  
G. C. DEEKS

R. E. CHADWICK	W. A. MURPHY
C. E. GRAVEL	A. G. WATSON
J. H. LABELLE	

General Manager  
N. S. VERITY

Asst. General Manager  
J. P. YEUDALL

Sec.-Treasurer  
H. G. BROWNE

## Directors Report to the Shareholders

-⊕-

Your Directors submit herewith the Financial Statement of The St. Lawrence Flour Mills Company Limited for the fiscal year ended August 31st, 1950, together with the Auditor's Report.

The net operating profit for the year, including revenue from investments, amounted to \$213,904.64, as against a profit the previous year of \$353,369.89 (a decrease of \$139,465.25).

After deducting Directors Fees, Officers Remuneration, Legal Fees, Bond Interest, Depreciation and Taxes, there remains a profit of \$63,278.79, (a decrease of \$59,625.28 as compared with the preceding year). The working capital as at August 31st, 1950, was \$1,680,943.84, being an increase of \$23,898.89. While the results for the year are somewhat disappointing, they do no more than reflect conditions that prevailed generally throughout the industry. In spite of very keen competition, domestic sales were well maintained. Export sales on the other hand were considerably reduced. Exports of Canadian flour for the year ended August 31st, 1950, were 10,083,181 barrels as against 13,661,573 barrels in the crop year ended August 31st, 1948.

During the year your Directors deemed it prudent to reduce the Common Stock dividend from a rate of 40c. quarterly to a rate of 25c. quarterly. This reduction was put into effect May 1st, 1950. Dividends at the rate of 7% on the Preferred Shares of the Company have been paid.

The following figures show the distribution of the Company's Revenue Dollar as compared with the previous year.

	1949	1950
Wheat, Feed and Supplies.....	89.3c	91.3c
Wages and Salaries.....	5.3	4.9
Selling and Delivery Expenses.....	1.2	1.5
Depreciation and Insurance.....	1.1	.9
Administrative and Financial Expense.....	1.3	.6
Taxes.....	.7	.2
Dividends.....	1.0	.9
Net Profits retained.....	.1	-.3
	\$1.00	\$1.00



Operating conditions for the present year are likely to be difficult owing to the fact that the wheat crop is not up to the usual high standard, having been badly damaged by frost, nevertheless prospects for the immediate future are encouraging. The amount of business taken since September 1st, should assure us of satisfactory earnings for the first three or four months of the present fiscal year at least.

The properties of the Company have been maintained at the usual high state of efficiency.

To our regret Mr. C. K. Anderson resigned as Secretary-Treasurer of the Company in August last. Mr. H. G. Browne was appointed to replace Mr. Anderson.

The relationship between the Company and the Union has been cordial and satisfactory in all respects.

The Directors have much pleasure, at this time, in expressing their appreciation of the loyalty and wholehearted co-operation of the employees, which contribute in no small measure to the successful operation of the Company.

The death of Mr. D. A. Campbell, who was President from October, 1931, to August 20th, 1950, was a serious loss to the Company. His leadership and knowledge of the milling industry will be greatly missed. It is largely due to his foresight and initiative that The St. Lawrence Flour Mills Company is in such a strong position today and so well equipped to meet the future. Thanks to his guidance over the past years our present staff is in every way a thoroughly trained group capable of administering successfully the business of the Company. Mr. Campbell was a friend and counsellor to all the employees of the Company, whose interests he always had at heart.

On behalf of the Board,

GEO. W. GRIER,  
President.

# The St. Lawrence F

Balance Sheet as

## ASSETS

### Current:

Cash on Hand and in Bank.....	\$	3,550.00	
Bills and Notes Receivable.....		166,109.56	
Accounts Receivable Trade—less Reserve...		970,939.22	
Accounts Receivable Other—less Reserve...		157,460.31	
Accounts Receivable—Subsidiary Companies		82,454.34	
Income Taxes Recoverable.....		657.09	
Inventory of Wheat, Flour and Feed and Milling Supplies valued by the Manage- ment as follows:			
Wheat—valued on basis of flour sales contracts for future delivery on hand at 31st August, 1950....	\$885,440.60		
Flour and Feed and Milling Supplies valued at cost or market whichever was lower.....	<u>791,998.55</u>	1,677,439.15	
Accrued Interest on Investments.....		<u>932.00</u>	\$3,059,541.67
Prepaid Taxes, Insurance and Pension Premiums.....			25,595.88
Investments:			
Industrial Bonds, Mortgages and Grain Exchange Seat.....			119,635.00
Investments in and Advances to Subsidiary Companies:			
Investments.....		116,890.04	
Advance.....		<u>41,442.17</u>	158,332.21
Fixed:			
Land—at cost.....		130,359.40	
Buildings and Machinery... *1,549,304.16			
Less: Reserve for De- preciation.....	<u>944,758.47</u>	604,545.69	
Motors—at cost less Depreciation.....		38,156.21	
Office Furniture—at cost less Depreciation..		2,551.19	
Other Real Estate—at cost.....		<u>500.00</u>	776,112.49
Goodwill, Trademarks, etc.....			<u>1.00</u>
			<u>\$4,139,218.25</u>

\*Appraisal value at 2nd October, 1925, per Canadian Appraisal Company, plus net additions to date.

Signed on behalf of the Board:

G. W. GRIER, Director

G. C. DEEKS, Director



# ur Mills Co. Limited

31st August, 1950

## LIABILITIES

### Current:

Bank Overdraft (Secured).....	\$	28,294.01	
Bank Loan (Secured).....		1,020,000.00	
Accounts Payable.....		217,470.10	
Other Loans.....		<u>112,833.72</u>	\$1,378,597.83

### First Mortgage Bonds, 2½% maturing 1st March, 1957:

Authorized.....	<u>1,000,000.00</u>	
Issued.....		750,000.00

### Capital Stock:

#### 7% Cumulative Preferred—

Authorized—6,000 shares \$100.00 Par Value		
Issued—5,750 shares.....	\$575,000.00	
Redeemed—215 shares... ..	<u>21,500.00</u>	
Outstanding—5,535 shares.....		553,500.00

#### Common—

Authorized—50,000 shares, no par value		
Issued—47,857 shares.....	<u>554,344.71</u>	1,107,844.71

Capital Surplus resulting from Redemption of Preferred Shares.. 21,500.00

Earned Surplus..... 881,275.71

\$4,139,218.25

### Contingent Liability:

Guarantee of both dividends and capital in respect of \$19,000.00 4½% Redeemable Preferred Shares of a Subsidiary Company which were outstanding in the hands of the public at 31st August, 1950.

Submitted with our Report dated 18th October, 1950.

Montreal, Que.

P. S. ROSS & SONS,

Chartered Accountants.

# The St. Lawrence Flour Mills Co. Limited

## Profit and Loss Account for year ended 31st August, 1950

Net Operating Profit.....		\$ 158,881.81
Revenue from Investments.....		55,022.83
		<u>213,904.64</u>
Deduct:		
Directors' Fees.....	\$ 4,750.00	
Officers' Remuneration.....	44,097.36	
Legal Fees.....	150.00	
Bond Interest.....	20,625.00	
Provision for Depreciation.....	76,913.49	
Provision for Income Tax.....	4,090.00	150,625.85
Profit for the year transferred to Earned Surplus Account.....		<u>\$63,278.79</u>

## Earned Surplus Account as at 31st August, 1950

Balance at credit 31st August, 1949.....		\$916,969.68
Add:		
Profit on Fixed Assets sold.....		1,986.34
		<u>918,956.02</u>
Add:		
Profit for the year.....		63,278.79
		<u>982,234.81</u>
Deduct:		
Dividends—Preferred.....	\$38,745.00	
Common.....	62,214.10	100,959.10
Balance at credit 31st August, 1950.....		<u>\$881,275.71</u>



## Auditors' Report

-⊕-

The St. Lawrence Flour Mills Company Limited,  
Montreal.

We have made an examination of the accounts of The St. Lawrence Flour Mills Company Limited for the year ended 31st August, 1950, and have obtained all the information and explanations we have required.

The amount included by the Company as income from subsidiaries exceeded profits of subsidiaries by \$18,808.97 representing the amount paid out of profits since date of acquisition.

In our opinion, the attached Balance Sheet and relative Profit and Loss and Earned Surplus Accounts are properly drawn up so as to exhibit a true and correct view of the Company's financial position as at 31st August, 1950, according to the best of our information and the explanations given to us and as shown by the books of the Company.

P. S. ROSS & SONS,  
Chartered Accountants.

18th October, 1950.

The  
St. Lawrence Flour Mills Co.  
Limited

-⊕-

MILLERS OF THE FOLLOWING  
FAMOUS BRANDS OF FLOUR

-⊕-

REGAL

-⊕-

FLEUR DE LIS

-⊕-

DAILY BREAD

-⊕-

ST. LAURENT

-⊕-

NUTRITIA  
(Whole Wheat)

-⊕-

ALSO MANUFACTURERS OF  
ST. LAWRENCE ANIMAL AND  
POULTRY FEEDS

## List of Agents

-⊕-

JAMES ALLEN & CO. (BELFAST) LTD.	Belfast, Ireland.
FENNELL SPENCE & CO.	Liverpool 3, England.
MARDORF PEACH & CO. LTD.	London E.C. 3, England.
McCONNELL & REID LTD.	Glasgow, Scotland.
SIDNEY SMITH LTD. (Bristol Agency)	London E.C. 3, England.
DAVID MALONE.	Dublin, Eire.
GRIPPELING & VERKLEY	Amsterdam, Holland.
LEJOS O/Y.	Helsinki, Finland.
A/S MERCATOR.	Oslo, Norway.
H. A. MOLLER.	Copenhagen V, Denmark.
W. J. ABBOTT.	Kingstown, St. Vincent, B.W.I.
BRITISH CARIBBEAN AGENCIES LTD.	Georgetown, Demerara, B.G.
CHRISTOFILIS BROS.	Nassau, Bahamas, B.W.I.
EMILE S. DELISLE.	St. Kitts, B.W.I.
GORDON GRANT & CO. LTD.	Port of Spain, Trinidad, B.W.I.
H. D. HOPWOOD & CO. LTD.	Kingston, Jamaica, B.W.I.
H. JASON JONES & CO. LTD.	Bridgetown, Barbados, B.W.I.
JOHNSON & COOPER LTD.	Hamilton, Bermuda.
STEPHEN R. MENDES LTD.	St. John's, Antigua, B.W.I.
R. K. MILNE & SON.	St. George's, Grenada, B.W.I.
MINVIELLE & CHASTANET LTD.	St. Lucia, B.W.I.
A. DE MATTEIS & CO.	Port-Au-Prince, Haiti, W.I.
JUAN FRANCISCO GOMEZ.	Caracas, Venezuela.
JUAN ALEMÁN PEREZ, V.P. } HARINERA MOLINON }	Havana, Cuba.
FAGUNDES SUCENA & CIA.	Sao Paulo, Brazil.
REPRESENTACIONES SASSO, LTDA.	San Jose, Costa Rica, C.A. (Mr. A. Ch. Sasso, Man.)
LEAO DE FARIA & CA.	Funchal, Madeira.
WM. CAMPBELL LTD.	St. John's, Nfld.
I. P. HALIBURTON & CO. LTD.	St. John's, Nfld.



