

The

# OGILVIE FLOUR MILLS

COMPANY LIMITED



## ANNUAL REPORT

For the Year Ended 31st August

1939

PURVIS HALL  
LIBRARIES

MAR 6 1946

McGILL UNIVERSITY



*The*  
OGILVIE FLOUR MILLS  
COMPANY LIMITED

●  
FOUNDED 1801



Head Office: MONTREAL, P.Q.

*Mills at*

MONTREAL

FORT WILLIAM

WINNIPEG

MEDICINE HAT

EDMONTON

ANNUAL REPORT

For the Year Ended 31st August

1939

*To the Shareholders of*

**THE OGILVIE FLOUR MILLS COMPANY, Limited**

The Directors submit herewith the Balance Sheet and Profit and Loss Account of the Company for the year ended 31st August, 1939, certified by our Auditors, Messrs. Creak, Cushing & Hodgson.

Profits for the year, after all charges for Administration, Maintenance and Taxes, amounted to.....\$1,161,184.31

Appropriations were made as follows:

Depreciation on Buildings and Machinery.....	\$164,868.00	
Dividends of \$7.00 per share on the Preferred Stock.....	140,000.00	
Dividends of \$1.00 per share on the Common Stock.....	600,000.00	
		<hr/>
		904,868.00
Balance carried forward to Earned Surplus Account.....	\$ 256,316.31	<hr/> <hr/>

The business of the Company for the period under review showed some improvement as compared with the previous year. After payment of the usual dividends, a balance of \$256,316.31 has been added to the credit of Earned Surplus Account, which now stands at \$2,767,800.64.

Income derived from Investments, including the income from Subsidiary Companies, was well maintained; although the market value of the Company's investments as at August 31st showed some shrinkage as compared with last year.

Inventories of wheat, flour and other commodities were, as usual, conservatively priced in relation to unfilled orders and market values.

The Coarse Grain Cereals and Feed Mill plant at Montreal, having depreciated to the point where economic operation was no longer possible, is being replaced by a modern plant, which should come into production in the spring of 1940, and it is hoped will be a profitable addition to operating facilities.

Large crops of good quality milling wheat and coarse grains have been harvested this fall in the Western

Provinces and, even at current low prices, the returns to the West and the stimulus provided to business generally will be beneficial to Canada as a whole.

Because of the uncertainty due to prevailing war conditions, it would be inappropriate to make any prediction concerning the fiscal period upon which we have now entered, but the Company stands ready to co-operate with the Government in any emergency in which its services may be required.

Appropriate allowances have also been granted to members of the staff who have been called up or have enlisted for active service.

It is with keen regret and a deep sense of loss that your Directors record the death of their friend and colleague, the late Sir Charles Gordon, G.B.E., who served the Company as a Director for nearly twenty-six years.

Our thanks are due to the staff and employees who have continued to serve the Company with loyalty and devotion.

Submitted on behalf of the Board,

J. W. McCONNELL,  
*President.*

Montreal, November 1st, 1939.

# THE OGILVIE FLOUR M

## BALANCE SHEET,

### ASSETS

Cash.....		\$ 695,783.82
Accounts Receivable, less Reserve.....		1,258,622.55
Stocks on hand of Wheat, Flour, Oatmeal, Coarse Grains, Bags and Barrels as de- termined and certified by responsible officials of the Company. Valued in each case at cost or under and not above market value at this date, less Reserve		1,690,351.92
Investments (Bonds, Preferred and Com- mon Stocks).....	\$2,275,115.56	
Shares in and amounts owing by wholly owned Subsidiary Companies (the assets of which consist of marketable securities):		
Shares.....	\$ 155,000.00	
Amounts Owing.....	2,561,356.53	
		<u>2,716,356.53</u>
(Fair Market Value \$8,641,000.00)		4,991,472.09
<b>TOTAL ACTIVE ASSETS.....</b>		<u>8,636,230.38</u>
Shares in and amount owing by partly owned Subsidiary Company:		
Shares, less Reserve.....	471,089.03	
Amount owing.....	2,676.90	
		<u>473,765.93</u>
Other Investments and Mortgages, less Reserve.....		968,865.92
Real Estate, Developed Water Powers and Mill Plants in Montreal, Fort William, Winnipeg, Medicine Hat and Edmon- ton; Terminal Elevator at Fort William and Country Elevators in Manitoba, Saskatchewan and Alberta; Property in Ottawa, Toronto, Calgary and Van- couver; Motor Trucks, Stable Plant and Office Equipment; at predecessor Company's net book value of 1924 with subsequent additions thereto at cost, less realizations to date.....	6,695,747.94	
Less Reserve for Depreciation.....	3,780,587.01	
		<u>2,915,160.93</u>
Goodwill, Trade Marks, Patent Rights, etc.....		1.00
		<u>\$12,994,024.16</u>

*Approved on behalf of the Board:*

J. W. McCONNELL,

H. S. HOLT,

*Directors.*

# LLS COMPANY, LIMITED

1st AUGUST, 1939

## LIABILITIES

Accounts Payable.....		\$ 477,206.05	
Reserve for Taxes.....		64,017.47	
Provision for Dividends Payable.....		185,000.00	
			<hr/>
TOTAL CURRENT LIABILITIES			726,223.52
Preferred Stock: Authorized and Issued: 20,000 Shares of \$100.00 each, seven per cent cumulative.....			2,000,000.00
COMMON STOCK AND SURPLUS:			
Common Stock: Authorized and Issued: 600,000 Shares of No Par Value.....	\$2,500,000.00		
Rest Account.....	5,000,000.00		
Earned Surplus: Balance as per Statement attached...	2,767,800.64		
			<hr/>
			10,267,800.64

\$12,994,024.16

MONTREAL, OCTOBER 10TH, 1939.

*Signed for identification with our certificate of this date.*

CREAK, CUSHING & HODGSON,  
Chartered Accountants,  
Auditors.

**THE OGILVIE FLOUR MILLS COMPANY, Limited**  
**PROFIT AND LOSS ACCOUNT**  
 For the Year Ended 31st August, 1939

Profit on Operations after deducting Selling and General Expenses.....	\$ 530,269.20
Investment Income (Net).....	242,463.55
Dividends from Wholly Owned Subsidiary Companies.....	552,000.00
Net Profit on Investments.....	124,930.32
	1,449,663.07

*Deduct:—*

Provision for Income Taxes.....	\$ 35,000.00
Provincial and Municipal Taxes.....	164,680.00
Legal Expense.....	2,507.54
Salaries and Directors' Fees paid to the Executive Officers of the Company.....	67,502.55
Fees paid to Other Directors of the Company.....	18,788.67
	288,478.76
	1,161,184.31

*Deduct:—*

Depreciation on Buildings and Machinery..	164,868.00
Net Profit for year, carried to Statement of Earned Surplus.....	\$ 996,316.31

Statement pursuant to Section 113, The Companies Act, 1934:

The total remuneration received by Officers and Directors from the Subsidiary Companies amounted to \$10,015.04.

**STATEMENT OF EARNED SURPLUS**

For the Year Ended 31st August, 1939

Balance as at 31st August, 1938.....	\$2,511,484.33
<i>Add:—</i>	
Net Profit for year, as per Profit and Loss Account.....	996,316.31
	3,507,800.64
<i>Deduct:—</i>	
Dividends on Preferred Stock for the year ended 31st August, 1939.....	\$140,000.00
Dividends on Common Stock for the year ended 31st August, 1939.....	600,000.00
	740,000.00
Balance as per Balance Sheet.....	\$2,767,800.64

# AUDITORS' CERTIFICATE

OCTOBER 10TH, 1939.

*To the Shareholders,*

## THE OGILVIE FLOUR MILLS COMPANY, Limited

We have audited the books of The Ogilvie Flour Mills Company, Limited, for the year ended 31st August, 1939, and report that we have verified the Cash on hand, the Bank Balances and all Securities; that we have obtained all the information and explanations which we have required, and that, in our opinion, the attached identified Balance Sheet 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.

In accordance with Section 114 of The Companies Act, 1934, we further report that the profits of the Subsidiary Companies for the year have been included in the attached accounts to the extent of the dividends received by The Ogilvie Flour Mills Company, Limited.

CREAK, CUSHING & HODGSON,

Chartered Accountants,

*Auditors.*





