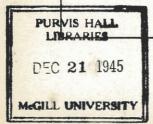
Canadían Cottons

MONTREAL, CANADA

THIRTEENTH ANNUAL REPORT

FOR YEAR ENDING 31st MARCH, 1923

PRESENTED TO THE SHAREHOLDERS AT THE ANNUAL MEETING OF THE COMPANY HELD AT MONTREAL, THE 21ST MAY, 1923



BOARD OF DIRECTORS

President CHARLES R. HOSMER

> Vice-President A. O. DAWSON

HON, F. L. BEIQUE, K.C. A. A. MORRICE GEORGE CAVERHILL SIR H. MONTAGU ALLAN W. J. MORRICE

> A. O. DAWSON, Managing Director A. BRUCE, Secretary-Treasurer

Canadían Cottons Limited

To the Shareholders :

YOUR Directors submit herewith the Thirteenth Annual Report for the year ending March 31st, 1923.

There has been a steady demand for goods such as your Company produces, and the Mills have run throughout the year without interruption.

Competition from the Southern States has been extremely keen, particularly on heavy goods, while the fine lines made by your Mills have had to meet the very abnormal conditions prevailing in the Textile business of England. The margin of profit has thus been small, but the increased turnover, together with the excellent physical condition of the Mills, have enabled your Directors to present a report which it is hoped will be considered as satisfactory.

After making provision for Depreciation and Government Taxes, the Manufacturing Profits and Interest on Investments amount to \$703,192.00, and are disposed of as follows:

Bond Interest	-	-	\$162,046.00
Dividends on Preferred and Common	Sto	ock	436,930.00
Bad Debts written off	-	-	41,362.00
Carried to Profit and Loss Account	-	-	62,854.00
			\$703,192.00

The utmost harmony has prevailed between the Company and its Employees, and the Profit-Sharing Scheme inaugurated some years ago seems to be working out to the satisfaction of all concerned.

Little can be said as to the conditions facing your Company during the coming year. Until business improves in England, competition from that source is going to be extremely keen, and profits can only be made by observing the strictest economy, and by keeping the whole organization in a state of high efficiency.

The Books and Accounts of the Company have been duly audited, and the Auditor's Report is submitted herewith.

Respectfully yours,

CHARLES R. HOSMER,

President.

Canadian Cottons, Limited

MANUFACTURING ACCOUNT

FOR YEAR ENDING 31st MARCH, 1923

DR.	CR.			
To Raw Material, Manufacturing Cost, Marketing of Products, Administration, Repairs, Replace-	By Sales \$10,233,942.28			
ments, Maintenance, Depreciation and Govern-	Add Inventory of Cloth and Cotton in process of			
ment Taxes to date \$10,138,338.36	Manufacture, 31st March, 1923 1,458,917.90			
	\$11,692,860.18			
To Balance	Less inventory of Cloth and Process on hand			
Net Profits to Profit and Loss Account 604,141.66	31st March, 1922 950,380.16			
\$10,742,480.02	\$10,742,480.02			

PROFIT AND LOSS ACCOUNT

			31st MARCH, 1923					
To Bond Interest on net amount outstanding Four Dividends of 1½% each on Preferred Shares Four Dividends of 2% each on Common Shares	\$162,046.32 219,690.00 217,240.00			By Net Manufacturing Profits -	-	-	-	\$604,141.66
Bad Debts Balance forward		\$598,976.32 41,362.25 62,854.06 \$703,192.63		By Interest on Investments -	-	-	-	99, 050 .97 \$703,192.63
				By Balance Add Balance, 31st March, 1922	-	- -	-	\$62,854.06 2,744,290.79 \$2,807,144.85

Canadian Cot tons, Limited

GENERAL STATEMENT

YEAR ENDING 315

31st MARCH, 1923

ASSETS

net cash basis, Bills and Sundry Open 1,749,914.57
- \$1,201,854.79 Yarns 269,533.93 on - 789,997.13 - 154,625.60 inearned 80,450.00
2,496,461.45
onds 1,575,000.00
Total Current Assets \$5,932,155.80
asury and for Sinking
983,214.01
r Companies 321,553.64
s
erties, Plants, Waterpowers, etc 10,055,813.57
\$17,292,737.02
n - 789,997.13 - 154,625.60 Innearmed 80,450.00 2,496,461.45 onds 1,575,000.00 Total Current Assets \$5,932,155.80 asury and for Sinking 983,214.01 ar Companies 321,553.64 <u>S</u> erties, Plants, Waterpowers, etc 10,055,813.57

Montreal, 7th May, 1923

Verified, ARTHUR H. PLIMSOLL, F.C.A. (Can.), Auditor.

LIABILITIES

Bank Advances \$1,100,590.68 Open Accounts including Estimated				
Tax Reserve 1,199,770.90				
Bond Interest accrued and Divi-				
dends payable April 4th 149,212.50				
Bills payable 226,086.42				
Total Current Liability	\$2,675,660.50			
BONDS \$5,000,000.00				
Less Redeemed 617,068.33				
·	4,382,931.67			
CAPITAL				
Preferred Authorized				
\$4,500,000.00 Issued	3,661,500.00			
Common Authorized				
\$3,500,000.00 Issued	2,715,500.00			
RESERVES				
Depreciation \$350,000.00				
Bad Debts 100,000.00				
Special Replacements <u>600,000.00</u>				
	1,050,000.00			
SURPLUS				
Balance at Credit of Profit and				
Loss, 31st March, 1923 -	2,807,144.85			
INDIRECT LIABILITIES	\$17,292,737.02			
Customers' paper under discount \$7(6,586.49				
C. R. HOSMER	RUCE.			
A. O. DAWSON	Secretary-Treasurer.			

AUDITOR'S CERTIFICATE

I have examined the Books and Accounts of Canadian Cottons, Limited, for the year ending the 31st March, 1923.

I have obtained all the information and explanations required, and now certify that, in my opinion, the foregoing statements and balance sheet are properly drawn up so as to exhibit a true and correct view of the year's operations and of the state of the Company's affairs at its close, according to the best of my information and the explanations given to me and as then shown by the books of the Company.

ARTHUR H. PLIMSOLL, F.C.A. (Can.)

Montreal, May 7th, 1923.

