

# 12<sup>th</sup> Annual Report

Year Ending

MARCH 31st, 1935



## Commercial Alcohols Limited

3196 Notre Dame Street East

TORONTO

MONTREAL

WINNIPEG

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June 6th, 1935

To the Shareholders:

Your Directors have pleasure in submitting herewith your Company's Twelfth Annual Report together with the Balance Sheet as at March 31, 1935, and Profit & Loss Account for the twelve months period ending on that date. Total profits for the year amounted to \$25,051.63 compared with \$6,945.63 for the previous year. After deductions of Reserves for Depreciation, Bad Debts, Bond Interest, Directors Fees, and Income Tax, there remains a balance of \$1,534.51.

Your Company had a satisfactory increase in the volume of business both in Alcohol and Magnesia products. Prices were low, but a decided improvement has taken place in the price situation since January 1, 1935.

Consistent with the Company's Policy, your Directors are continuing to follow the policy of moderate expansion and making capital expenditures chiefly for the purpose of economies and increased efficiency.

Your Directors feel that operations during the year under review were satisfactory considering existing conditions. All the Company's Plants and Equipment have been well maintained and are in good condition.

Your Directors wish to express their appreciation of the faithful and efficient service rendered by the Staff and the employees.

On behalf of the Board,

C. G. KERTLAND,  
President.

#### DIRECTORS

THOMAS ARNOLD	T. T. ARNOLD	JOHN IRWIN	H. C. KERMAN
C. G. KERTLAND	A. LAFONTAINE, K.C.	J. A. WALES	

# COMMERCIAL ALCOHOLS LIMITED

*Balance Sheet as at 31st March 1935*

ASSETS				LIABILITIES	
<b>Current Assets:</b>				<b>Current Liabilities:</b>	
Cash on hand.....		\$180.00		Bank Overdraft.....	\$6,921 36
Accounts Receivable.....	\$9,783 94			Bank Loan—Secured under Section 88 of the Bank Act, by personal guarantees and by pledge of \$109,500.00	
Less:—Reserve for Bad Debts.....	300 00	9,483 94		par value of the Company's own Bonds.....	7,150.00
Inventories at Cost—				Bills Payable—Secured.....	19,392 43
Alcohol and Raw Materials.....	45,524.00			Accounts Payable and Accrued Expenses.....	17,724 34
Magnesia Products and Raw Materials.....	10,706 25	56,230.25		Provision for Dominion, Provincial and Other Taxes.....	6,526 52
Containers on hand—at Cost.....		12,667.35	\$78,561 54		<u>\$57,714 65</u>
<b>Deferred Charges:</b>				<b>Deferred Liability:</b>	
Sundry Prepaid Expenses.....			2,798 26	Balance due on account of Magnesia Patents.....	\$1,050 00
<b>Investment in, and advances to Eastern Distilleries Limited, A wholly owned subsidiary Company:</b>				<b>Reserves for Containers:</b>	6,229.86
Investment in Shares.....		\$2,500.00		<b>Six per cent fifteen year first mortgage convertible gold bonds, due 1st December 1944:</b>	
Current Account after providing for Operating Losses to date.....		792 30	3,292 30	Authorized.....	\$125,000 00
<b>Fixed Assets:</b>				Issued and Outstanding.....	118,000.00
Buildings, Plant and Equipment—at Cost.....	\$238,020 75			Less:—Held by The Royal Bank of Canada as Collateral Security for Loan.....	109,500 00
Less:—Reserves for Depreciation.....	79,164 93	158,855.82			8,500 00
<b>Rights and Contracts:</b>			\$111,152 09	<b>Capital:</b>	
APPROVED ON BEHALF OF THE BOARD:				<b>Preferred Stock:—</b>	
C. G. KERTLAND } Directors.				Authorized, Issued and Fully Paid-Up—2,500 8% Cumulative Shares.....	250,000.00
THOMAS ARNOLD }				(Dividends in arrears since 1st October 1928)	
			<u>\$354,660 01</u>	<b>Common Stock:—</b>	
				Authorized—150,000 Shares without nominal or par value	
				Issued and Fully Paid-up—100,000 Shares.....	100,000 00
				Less:—Deficit Account — as per Statement attached.....	68,834 50
					31,165 50
					<u>281,165 50</u>
				<b>Contingent Liability:</b>	<u>\$354,660 01</u>
				Containers in hands of Customers.....	\$36,160 45

## AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the books and accounts of Commercial Alcohols Limited for the year ended 31st March 1935, and we have obtained all the information and explanations which we have required.

The losses of Eastern Distilleries Limited, a wholly owned Subsidiary Company, have been fully provided for in the accounts of Commercial Alcohols Limited.

We report that, in our opinion, the above 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.

MONTREAL, 10th May, 1935.

(Signed) McDONALD, CURRIE & CO.,  
Chartered Accountants.

# COMMERCIAL ALCOHOLS LIMITED

## GENERAL STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 1935

Net Operating Profit for year . . . . .			\$25,051.63
<b>Deduct:</b>			
Directors' Fees . . . . .	\$1,280.00		
Bond Interest . . . . .	657.31		
Depreciation . . . . .	21,257.12		
Provision for Income Taxes . . . . .	300.00	23,494.43	
			<u>\$1,557.20</u>
<b>Deduct:</b>			
Provision for Net Loss of Eastern Distilleries Limited, a wholly owned subsidiary company . . . . .			22.69
Net Profit—for year . . . . .			<u>\$1,534.51</u>

## STATEMENT OF DEFICIT ACCOUNT FOR THE YEAR ENDED 31st MARCH 1935

Balance at Debit—31st March 1934 . . . . .		\$70,369.01
Deduct - Net Profit—for year . . . . .		<u>1,534.51</u>
Balance at Debit—31st March 1935 . . . . .		<u>\$68,834.50</u>