THE OGILVIE FLOUR MILLS CO., LIMITED

REPORTS and BALANCE SHEET

For year ended August 31st, 1916, presented to the shareholders at Fifteenth Annual Meeting held at Montreal, Que., October 12th, 1916.

DIRECTORS' REPORT.

DIRECTORS' REPORT.

A Balance Sheet showing the Assets and Liabilities of the Company, also Profits for the year, is submitted. The Company's accounts have been audited by Messrs. Creak, Cushing and Hodgson, Chartered Accountants, whose report is presented herewith.

The sum of \$8,500 was added during the year to the Company's Pension Fund, which now amounts to \$115,000. The Company's system of country elevators in the Northwest has been increased during the year by 21 buildings, making a total of 168 elevators, with a storage capacity of 5,385,000 bushels, and covering a very wide area of territory. With terminal and country elevators combined the Company's total wheat storage capacity now amounts to 10,335,000 bushels.

The Company's flour mills, elevators and other properties are in first-class condition. 'All charges for repairs and renewals have been written off and the plants maintained at the highest standard of efficiency.

The usual dividends were paid during the year on the Preferred and Common Stocks, and a bonus of four per cent. on the Common Stock was provided out of the year's profits, and paid on October 2nd, 1916, making a total d'stribution of twelve per cent. on this issue.

All of which is respectfully submitted.

(Signed) C. R. HOSMER,

President.

VICE-PRESIDENT AND MANAGING DIRECTOR'S ADDRESS.

Addressing the Shareholders present, Mr. W. A. Black, Vice-President and Managing Director, said:
It is with pleasure we are again able to present you with a very satisfactory statement.
Notwithstanding the fact that since our last meeting the Government war tax was imposed and was retroactive for a year (which will necessitate our paying a

very large sum), we have been able to provide for these taxes out of the year's earnings, pay our holders of Common Stock an increased dividend, and carry forward \$334,270.12 to the credit of Profit and Loss Account,

\$334,270.12 to the credit of Profit and Loss Account, which now stands at \$846,330.62.
While the earnings shown are about 25% on the Common Stock, it must be remembered that our reserves represented by Contingent Account \$1,250,000, and Profit and Loss balance as on August 31st, 1915, \$512,-060.50, are also Capital, and that taking this into constitution is makes the return about 18%.

sideration it makes the return about 18%.
While we were not as fortunate in having a large amount While we were not as fortunate in having a large amount of wheat to sell at much enhanced prices, as happened last year, we were more fortunate than in average years in our purchases. We also profited largely in the increase in returns which we received from our investments in business other than flour milling. Our interest charges for borrowed money have been much less owing, of course, to the large Capital now invested in our business which has been accumulating for some years past out of surplus

araings.

Our mills are now fully employed, and have orders ahead to keep them running for some time.

While the wheat crop in the Northwest is less than half of last year's, the yield as an average is little short of what it usually is, and the prices are very much higher. At this date last year October wheat was 98½ cents per bushel: to-day it is 164 cents. The high prices were in effect before the farmers had actually marketed the new crop, so that they will reap the full benefit, and the return to them as a whole will be little, if any, less than the previous year, and with the very high prices prevailing for all farm products, the country should be established on a most substantial basis.

Like many other manufacturers, we have been handicapped by the absence of a large number of our employees who are doing their duty at the front; but are confidently looking forward to the successful conclusion of the war

looking forward to the successful conclusion of the war at no distant date.

BALANCE SHEET

ASSETS	1
Cash on hand and at Bank	486,406.58 429,217.25
Accounts Receivable after making Provision for all Contingencies	1,291,101.82
Coarse Grains, Bags and Barrels Stables Plant and Office Equipment	1,460,872.96 27,375.00
Investments	593,904.48
Active Assets Investments for Pension Fund Real Estate, Water Powers and Mill Plants in Montreal, Winnipeg, Fort William and Medicine Hat; Elevators in Manitoba, Alberta and Saskatchewan; Property in St. John, N.B. and Ottawa as at 31st August, 1915. \$ 6,333,901.61 Additions during the year. 192,850.80	4,288,878.09 94,560.88 6,526,752.41
Goodwill, Trade Marks, Patent Rights, etc	1.00

LIABILITIES

Accounts Payable, including Provision for War Tax for two years to date\$ Provision for Bond Interest and Dividends	1,628,611.76
to date	220,250.00
Current Liabilities Officers' Pension Fund First Mortgage Bonds. Capital Account:—Preferred \$2,000,000.00 Common 2,500,000.00	1,848,861.76 115,000.00 2,350,000.00
Common 2,300,000.00	4,500,000.00
Contingent Account	1,250,000.00
August, 1915 Profits for year after payment of Bond Interest and after making provision for the War Tax for two years to 31st	512,060.50
August, 1916\$ 774,270.12 Less Dividends on Pre- ferred and Common	
Stock	224 270 12

\$ 10,910,192.38

Indirect Liabilities: None.

\$ 10,910,192,38

We have audited the Books of the Company for the year ended 31st August, 1916, and certify the above to be a correct statement of the affairs of the Company at that date as shown by the Books.

CREAK, CUSHING & HODGSON, C.A., Auditors,