

- 137 -

C172957

Our stock of second bulky pieces was running short and an exchange was arranged with the Canadian Wool Board Ltd. whereby this company purchased this type in exchange for fleece types of which there was surplus and for which they had a civilian demand.

A few types are in short supply; the most important of which are Carbonized Australian Lambs for underwear. On account of the length of time it takes to procure this type from Australia and the uncertainty of supply, it was felt advisable to purchase about 300,000 lbs. for import. This is only sufficient for the year's indicated requirements and to allow a small balance to carry over until next season's wool becomes available.

New Zealand lambs and slipes are running low but reasonable substitutes are available locally and these are being purchased wherever possible rather than import from New Zealand.

Remaining stocks of manilla rope are below the 100,000 lb. mark and consist of odd sizes. An effort is being made to dispose of these through regular trade channels as the Navy is finding it difficult to fit in these stocks with its requirements.

Sales during the quarter totalled \$4,575,508.00 compared with \$3,839,583.00 in the previous quarter. The net profit for the period was \$172,000.00 compared with \$153,376.00 in the previous quarter. Sales since incorporation totalled \$53,208,469.00 from which a net profit of \$3,534,591.00 has been derived. The total assets as at March 31, 1945, amounted to \$14,167,515.00 of which \$12,030,724.00 represents inventories of raw materials. Advances from the Treasury represent the chief liability amounting to \$10,255,250.34. The sum of \$3,025,000.00 has been returned to the Treasury during the quarter.

TENTATIVE BALANCE SHEET AS AT March 31, 1945.
(Based on estimated figures)

A S S E T S

Cash and bank balances -		
Cash	\$ 100.00	
U.S. Funds (\$139,041.65)	<u>154,136.12</u>	
	154,236.12	
Canadian funds overdraft	<u>126,618.99</u>	\$ 27,617.13
Accounts, claims, sundry receivables and		
U.S. Duty Recoverable (including		
premium where applicable)		2,050,876.00
Inventories, commodities in process and in		
transit		12,030,724.00
Accountable advances re acquisition and		
storage of rope		<u>58,298.23</u>
		<u>\$14,167,515.36</u>

L I A B I L I T I E S

Accounts payable, accrued charges, customers'			
credit balances and estimated liability re			
nylon transactions			\$ 593,118.56
Dominion of Canada advances			10,255,250.34
Equipment received on transfer			778.80
Inventory reserve			2,187,633.00
Capital			22.00
Surplus -			
At credit Dec. 31, 1944 (adjusted)	\$958,712.66		
Profit & Loss, Jan. 1 to Mar. 31, 1945 -			
Sales	\$4,575,508.00		
Cost of Sales &			
administration	<u>4,403,508.00</u>	<u>172,000.00</u>	<u>1,130,712.66</u>
			<u>\$14,167,515.36</u>