

The Ogilvie Flour Mills Company, Limited

BALANCE SHEET

For the Year Ending August 31st, 1919, presented to the Shareholders at the Eighteenth Annual Meeting held at Montreal, Que., October 9th, 1919.

BALANCE STATEMENT, 31st AUGUST, 1919

ASSETS.	
Cash	\$ 2,226,123.62
Accounts and Bills Receivable, after making provision for bad and doubtful debts	1,700,081.70
Stocks on hand of Wheat, Flour, Oatmeal, Coarse Grains, Bags and Barrels	638,269.02
Dominion of Canada War Loans and other Investments	5,780,568.06
Total Active Assets	\$10,345,042.40
Investments for Pension Fund	253,501.00
Real Estate, Water Powers and Mill Plants in Montreal, Fort William, Winnipeg and Medicine Hat; Elevators in Manitoba, Saskatchewan and Alberta; Property in St. John, N.B., and Ottawa; Stable Plant and Office Equipment	5,812,695.84
Goodwill, Trade Marks, Patent Rights, etc.	1.00
	<u>\$16,411,240.24</u>
LIABILITIES.	
Accounts Payable (including provision for War Taxes to date)	\$ 2,445,786.08
Provision for Bond Interest and Dividends to date	520,250.00
Total Current Liabilities	\$ 2,966,036.08
Officers' Pension Fund	350,687.52
First Mortgage Bonds	2,350,000.00
Capital Stock—Preferred	\$2,000,000.00
do Common	2,500,000.00
Reserve Account	2,500,000.00
Contingent Account	2,500,000.00
Profit and Loss Account:	
Amount at credit 31st August, 1918	\$1,330,592.61
Less transferred to Contingent Account	903,592.55
	<u>\$ 427,000.06</u>
Profits for the year after payment of Bond Interest and making provision for War Tax:	
Flour Milling Profits	\$ 649,777.73
Profits from Other Sources and Investment Income.....	982,738.85
	<u>\$1,632,516.58</u>
Less—Dividends on Preferred and Common Stocks.....	815,000.00
	<u>817,516.58</u>
	<u>1,244,516.64</u>
	<u>10,744,516.64</u>
	<u>\$16,411,240.24</u>

Approved on behalf of the Board:

C. R. HOSMER,
H. S. HOLT,
Directors.

To the Shareholders:

We have audited the books of The Ogilvie Flour Mills Company, Limited, at Montreal, Fort William, Winnipeg and Medicine Hat for the year ending 31st August, 1919, and have obtained all the information and explanations we have required; and we certify 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.

CREAK, CUSHING & HODGSON,
Chartered Accountants.

In his remarks to the Shareholders, Mr. W. A. Black, Vice-President and Managing Director, called attention to the fact that the profits for the year under review were less than those of the previous year by \$322,898.26.

The Capital of the Shareholders invested in the business at the commencement of the year was \$9,926,999.06, so that the profits of \$1,632,516.58 represent 16.4% on the Capital, not including the Bonds. If the Bonds were included as Capital, the percentage earned would be 13.3%. It will be noted from the Balance Sheet that the Shareholders' Invested Capital at the close of the year amounted to \$10,744,516.64.

Mr. Black also stated:

"As a result of the Armistice, there was a material reduction in the volume of business in all Departments. There was also a slight reduction in the percentage of profits on the turnover, which were a little under 2%, as against being a little over that figure last year. This must be admitted as being a very small margin and would not make a reasonable return but for the large volume of business.

"The outlook now is for an early return to the sharp competition for export business which existed prior to the war. Duties on flour imports, which were removed in some countries during the war, are being put on again, with the idea of encouraging and stimulating manufacture at home to provide work for their people, and securing the wheat offals, which are necessary for dairy and general livestock feeding. It is most essential, however, that our own farmers and dairymen be supplied with the necessary feed for their livestock, and the Government may yet find it necessary to take steps to assist the mills in retaining a large export trade in flour if the dairying and stock interest is to continue at least on its present basis."