

T. G. BRIGHT & CO.
LIMITED

And Subsidiary Companies



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Consolidated Annual Accounts
as at July 31st, 1937

DIRECTORS

H. C. HATCH, Toronto
President

E. A. THOMAS, Niagara Falls
Vice-President

DR. JOHN R. EOFF, JR., Niagara Falls
Vice-President

W. J. HUME, Walkerville
T. H. GIBBONS, Walkerville
WARD WRIGHT, K.C., Toronto

V. MOLLISON, Niagara Falls
Secretary

M. F. JONES, Niagara Falls
Treasurer

Report of the Directors to the Shareholders of T. G. BRIGHT & CO. LIMITED for the year ended July 31st, 1937

With considerable satisfaction, I present for your consideration the report of your Directors for the last financial year. Whilst the pleasurable increase in net earnings is undoubtedly largely due to the very marked general improvement in conditions throughout the Dominion, some proportion is attributable to the results from the policy of plant improvement which we have followed during the past four years. Perhaps by this policy and also by that of increasing wages wherever possible, we have played some definite part in the general march to recovery.

Actual expenditures during the past four years for new equipment and development amount to \$500,000.00. The property additions made this year totalled \$37,000.00, of which \$30,000.00 was for the development of vineyards, and \$7,000.00 for new equipment for Head Office and retail branches. In connection with farm properties, no further plantings were made in 1937.

The Company's bank borrowings have been reduced and there is an increase in working capital, which means that your Company is in a sounder financial condition than ever.

Two retail branches were purchased in the past year, and retail operations in these and other branches may be considered as generally satisfactory.

Direct and indirect taxes paid during the past year amounted to almost \$300,000.00. This tax burden is sufficiently heavy to warrant shareholders renewing their efforts to urge on the respective authorities some measure of relief.

The Directors wish to express their appreciation of the work of the staff and employees during the past year.

All of which is respectfully submitted.

H. C. HATCH,
President.

Stamford Township,
October 6th, 1937.

T. G. BRIGHT & AND SUBSIDIARY

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on hand and in banks.....	\$ 16,327.63	
Marketable securities, pledged as collateral for bank advances, per contra (quoted market value July 31, 1937, \$121,875.00)	116,656.28	
Accounts receivable—		
Trade	\$187,089.18	
Sundry	5,700.22	
Advances for travelling expenses.....	739.50	
	193,528.90	
Inventories of wine in storage, cased goods, raw materials and supplies, at the lower of cost or market values, as determined and certified to by responsible officers of the Company	720,850.59	
		\$1,047,363.40
CASH SURRENDER VALUE OF LIFE INSURANCE POLICIES.....		23,234.00

FIXED ASSETS:

At depreciated values as reported by Canadian Appraisal Company, Limited, under date of August 16, 1933, with subsequent additions at cost:

Particulars	As at August 1, 1936	Net Additions	As at July 31, 1937	
Land	\$ 4,271.50		\$ 4,271.50	
Buildings	216,344.25		216,344.25	
Storage tanks	147,815.06	\$ 156.22	147,971.28	
Machinery and equipment.....	209,700.05	6,616.91	216,316.96	
Farm properties and equipment	184,882.45	30,402.28	215,284.73	
	\$763,013.31	\$37,175.41	\$800,188.72	
Less—Reserve for depreciation.....	106,711.18	41,653.82	148,365.00	
	\$656,302.13	\$ 4,478.41		651,823.72

GOODWILL, ETC.:

Balance, August 1, 1936.....	\$ 86,488.37	
Excess of par value over cost of 11 preference shares redeemed during the year.....	222.00	
		86,266.37

DEFERRED CHARGES:

Licenses purchased, building improvements, and alterations to leased premises, less amounts written off.....	\$ 66,144.43	
Prepaid vintage expense.....	28,554.83	
Prepaid insurance premiums.....	16,494.43	
Prepaid taxes	6,232.39	
Sundry deferred charges.....	5,940.16	
		123,366.24
		<u>\$1,932,053.73</u>

To the Shareholders of T. G. BRIGHT & CO. LIMITED:

We have made an examination of the consolidated balance sheet of T. G. Bright & Co. Limited and its subsidiary companies in connection therewith we examined the books and accounts of the companies and made extensive tests of the record of detailed transactions as auditors have been complied with, and we report that, in our opinion, based upon the examination indicated above, the books so as to exhibit a true and correct view of the state of the affairs of the combined companies, and the results of the operations for the books of the companies.

Toronto, September 28, 1937.

July 31st, 1937

LIABILITIES

CURRENT LIABILITIES:

Bank advances (of which \$116,154.78 is secured by hypothecation of marketable securities, per contra).....	\$241,154.78	
Sales, excise and property taxes accrued.....	12,540.93	
Accounts payable and accrued liabilities.....	74,081.90	
Provision for Dominion and Provincial income and capital taxes	42,800.00	
		\$ 370,577.61
MORTGAGES ON FARMS.....		21,038.43
RESERVE FOR CONTINGENCIES.....		48,096.58

CAPITAL STOCK AND SURPLUS:

Six per cent. cumulative redeemable preference shares (redeemable at par on any dividend date on 15 days' notice):

Authorized—

27,811 shares of \$100.00 each..... \$2,781,100.00

Issued—

7,822 shares of \$100.00 each at
August 1, 1936..... \$ 782,200.00

11 shares of \$100.00 each re-
deemed 1,100.00

7,811 \$781,100.00

Common shares without nominal or par value:

Authorized—

300,000 shares.

Issued—

100,000 shares 500,000.00

Earned surplus, per statement attached..... 211,241.11
1,492,341.11

\$1,932,053.73

es as at July 31, 1937, and of the consolidated statement of profit and loss and surplus for the year ending on that date. In
ctions; we made a general review of the accounting methods and of the operating and income accounts for the year. All our
the attached consolidated balance sheet and related consolidated statement of profit and loss and surplus are properly drawn up
the year ended July 31, 1937, according to the best of our information and the explanations given to us and as shown by the

T. G. BRIGHT & CO. LIMITED

AND SUBSIDIARY COMPANIES

Consolidated Statement of Profit and Loss and Surplus for the year ending July 31, 1937

PARTICULARS	AMOUNT
Combined profit from operations, after charging all manufacturing, selling and administrative expenses, but before providing for depreciation and income taxes.....	\$239,222.98
DEDUCT:	
Provision for depreciation.....	\$43,050.49
Add—Farm depreciation deferred at July 31, 1936...	4,280.76
	<u>\$47,331.25</u>
Deduct — Farm depreciation deferred at July 31, 1937	5,492.53
	<u>\$41,838.72</u>
Provision for income taxes.....	41,000.00
	<u>82,838.72</u>
<i>Net profit for the year</i>	<u>\$156,384.26</u>
Add: Earned surplus at August 1, 1936.....	131,758.85
	<u>\$288,143.11</u>
DEDUCT:	
Dividends on cumulative preference shares at the rate of 6 per cent. per annum.....	\$46,902.00
Dividends on no par value common shares, being 30 cents per share for the year.....	30,000.00
	<u>76,902.00</u>
<i>Earned surplus at July 31, 1937</i>	<u><u>\$211,241.11</u></u>

T. G. BRIGHT & CO. LIMITED

The Annual Meeting of the Shareholders of T. G. BRIGHT & CO., LIMITED, will be held at the head office of the Company, Dorchester Road, Stamford Township, adjacent to Niagara Falls, Ontario, on Monday, the 18th day of October, 1937, at the hour of 12 o'clock noon, for the purpose of receiving and considering the report of the Directors of the Company and the balance-sheet and auditors' report for the fiscal period ending July 31st, 1937, electing Directors for the ensuing year, the appointment of auditors and the transaction of such other business as may properly come before the meeting. If you are not able to be present, kindly sign and return the annexed proxy.

DATED at Stamford Township, Ontario, this 6th day of October, 1937.

By Order of the Board,

VICTOR MOLLISON,

Secretary.

I, _____
a Shareholder in T. G. BRIGHT & CO., LIMITED, do hereby appoint
H. C. HATCH, President, and E. A. THOMAS, Vice-President, or either
of them, as my proxies and proxy, to vote for me and on my behalf in
respect of all shares of the said Company then standing in my name on
the books of the Company, at the Annual General Meeting of the Share-
holders of the Company to be held on Friday, the 18th day of October,
1937, at the hour of 12 o'clock noon, and at any and all adjournments
thereof.

DATED this _____ day of _____, 1937.

Signature of Shareholder

Address

Witness

