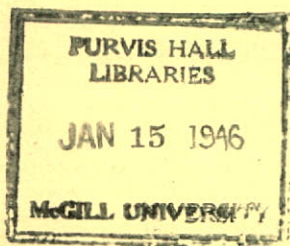
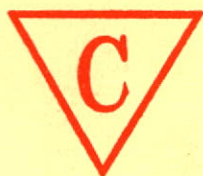


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**CONSUMERS GLASS
COMPANY LIMITED**

Annual Report

AUGUST 31, 1943



CONSUMERS GLASS COMPANY LIMITED

HEAD OFFICE—VILLE ST. PIERRE, P.Q.

DIRECTORS

E. J. BRUNNING, O.B.E.

G. FORD JONES

BRIAN HEWARD

J. A. KILPATRICK

C. G. HEWARD, K.C.

ARTHUR LYMAN

F. K. MORROW, O.B.E.

OFFICERS

J. A. KILPATRICK Chairman of the Board

E. J. BRUNNING, O.B.E. President and General Manager

ARTHUR LYMAN Vice-President

GEORGE MILNE Secretary-Treasurer

G. FORD JONES Assistant Secretary

Transfer Agent

THE ROYAL TRUST COMPANY, MONTREAL - TORONTO

Registrar

CROWN TRUST COMPANY, MONTREAL - TORONTO

Sales Offices

MONTREAL, P.Q.—1027 Canada Cement Co. Bldg.

TORONTO, ONT.—516 Terminal Warehouses Bldg.

Plant

VILLE ST. PIERRE, P.Q.

CONSUMERS GLASS COMPANY LIMITED

To the Shareholders:

Your Directors submit herewith the annual report of your Company for the fiscal year ended August 31, 1943, together with the financial statements and auditors' report for that year.

The results of the year's operations show a net profit, after providing for depreciation and taxes (other than the refundable portion of Excess Profits Tax) of \$657,235.08, amounting to \$2.06 per share, on the outstanding capital stock of the Company. The refundable portion of the Excess Profits Tax is \$77,900.04, deduction of which amount leaves a balance amounting to \$579,335.04 or \$1.81 per share.

Quarterly dividends at the rate of fifty cents per share have been paid, totalling \$639,140.00, thus reducing the earned surplus from \$1,802,088.00 to \$1,742,283.04.

On March 9, 1943, the total of 319,570 shares of the outstanding capital stock of the Company was listed on the Montreal Stock Exchange. The Royal Trust Company were appointed transfer agents and the Crown Trust Company registrars, both at Montreal and Toronto, so that the shares of the Company are now transferable at either place.

The tonnage of glass produced during the fiscal year ended August 31, 1942, was the highest in the Company's history, amounting to an increase of 16% over the previous fiscal year. During the last fiscal year ended August 31, 1943, the tonnage decreased 14% from the previous year.

The decrease in production during the fiscal year just ended was caused chiefly through a shortage of labour and not through any lack of business available.

Your Company experienced a reduction in operating profits due to general increase in wages and the additional cost of certain raw materials, coupled with the reduced volume of production mentioned above.

Stocks of raw materials are ample for the present scale of production and inventories of finished goods have been reduced materially during the past year. Both raw materials and finished goods inventories have been taken into the books at conservative prices.

The Company's plant and machinery have been maintained in good condition during the year.

On October 1, 1942, a pension plan was instituted from a fund accumulated over a period of years, under which plan all employees, after reaching certain ages and terms of service, will receive pensions upon retirement by way of annuities purchased either from the Annuity Branch of the Dominion Government or Insurance Companies. The plan is non-contributory, that is to say, it is entirely without cost to the employees. All employees have been notified of the plan.

On December 15, 1942, a Christmas bonus was paid to all employees who have been in the continuous employment of the Company for two years or more. The bonus paid to each employee amounted to approximately two weeks' wages or salary, based on his or her average earnings for the year. The bonus was the fifteenth consecutive payment on this basis made by the Company to its employees at Christmas.

Your Directors are proud of the long service records of a substantial number of employees and take this opportunity to express their appreciation of the loyal and efficient services rendered by the officers and employees throughout the year.

Submitted on behalf of the Board of Directors.

E. J. BRUNNING,
President.

Ville St. Pierre, Que., November 16, 1943.

CONSUMERS GLASS

BALANCE SHEET

ASSETS

Current:

Cash..... \$ 496,793.05

Accounts Receivable..... \$598,604.24

Less: Reserve..... 29,340.30
569,263.94

Investments—Marketable

(Quoted Market Value \$1,082,662.50)..... 1,072,285.05

Accrued Revenue..... 9,235.89

Inventories—Book Value—Adjusted periodically to
physical inventories taken throughout year—Raw
Materials were valued at cost, Finished ware at value
determined by the management and certified as not
exceeding the lower of cost or market prices (less
Reserve \$26,063.49).....

517,281.81

\$2,664,859.74

Refundable portion of Excess Profits Tax..... 103,313.71

Fixed Assets—at Cost:

Land..... 73,353.14

Buildings, Machinery and Equipment..... 2,747,384.70

Motor Vehicles..... 13,772.96

Construction Work in Progress..... 4,518.91

2,839,029.71

Deferred Debits:

Insurance, Taxes, etc..... 16,851.88

\$5,624,055.04

Approved on behalf of the Board of Directors:

J. A. KILPATRICK, Director.

ARTHUR LYMAN, Director.

COMPANY LIMITED

AUGUST 31, 1943

LIABILITIES

Current:

Accounts Payable.....	\$ 114,320.78	
Accrued Liabilities (including provision for Income and Excess Profits Taxes less payments on account \$311,305.43).....	322,224.14	\$ 436,544.92

Reserves for Depreciation:

Buildings, Machinery and Equipment.....	2,214,656.84	
Motor Vehicles.....	7,645.06	2,222,301.90

Reserve for Starting Up and Relining Furnaces.....		61,250.00
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Capital Stock—Common:

Authorized—475,000 Shares No Par Value	
Issued —319,570 Shares No Par Value.....	1,044,326.38

Surplus Accounts:

Reserved Surplus—		
Refundable portion of Excess Profits		
Tax.....	\$ 103,313.71	
Capital Surplus.....	14,035.09	
Earned Surplus.....	1,742,283.04	
	1,859,631.84	2,903,958.22

\$5,624,055.04

Examined in accordance with our attached report.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, October 16, 1943.

CONSUMERS GLASS COMPANY LIMITED

SURPLUS ACCOUNTS AUGUST 31, 1943

RESERVED SURPLUS

Balance at Credit August 31, 1942.....	\$ 25,413.67
ADD: Portion of Excess Profits Taxes for year ended August 31, 1943.....	77,900.04
Balance at Credit August 31, 1943.....	<u>\$ 103,313.71</u>

CAPITAL SURPLUS

Balance at Credit August 31, 1942.....	\$ 11,576.24
ADD: Profit on Sale of Securities.....	2,458.85
Balance at Credit August 31, 1943.....	<u>\$ 14,035.09</u>

EARNED SURPLUS

Balance at Credit August 31, 1942.....	\$1,793,408.00
ADD: Prior year adjustment.....	8,680.00
	<u>\$1,802,088.00</u>

ADD: Profits from Operations for year ended August 31,

1943..... \$ 612,789.50

after providing for—

Depreciation Allowance..... \$ 96,802.83

Executive Salaries..... 57,725.00

Legal Expenses..... 4,359.94

Directors' Fees..... 380.00

Provision for Income and Excess

Profits Taxes, after deducting

\$77,900.04 refundable portion

Excess Profits Tax..... \$694,367.88

Non-operating income..... 44,445.58

Profit for year..... 657,235.08

Less: Dividends..... 639,140.00

Balance..... 18,095.08

Less: Refundable portion of Excess Profits Tax.... 77,900.04

Net Decrease in Earned Surplus for the year..... 59,804.96

Balance at Credit August 31, 1943..... \$1,742,283.04

Examined in accordance with our attached report.

P. S. ROSS & SONS,

Montreal, October 16, 1943.

Chartered Accountants.

P. S. ROSS & SONS

CHARTERED ACCOUNTANTS

ROYAL BANK BUILDING
MONTREAL, QUE.

AUDITORS' REPORT

To the Shareholders,
Consumers Glass Company Limited,
Ville St. Pierre, P.Q.

We have made an examination of the Balance Sheet of the Consumers Glass Company Limited as at August 31, 1943 and of the Statement of Income and Surplus for the year ended that date.

In connection therewith we examined or tested the accounting records of the Company and other supporting evidence, but we did not make a detailed audit of all transactions. We have obtained all the information and explanations required by us.

In our opinion, based upon such examination, the attached Balance Sheet and relative Statement of Income and Surplus are drawn up so as to exhibit a correct view of the financial position of the Company at August 31, 1943, and of the results from operations for the year ended that date, according to the information and explanations received by us and as shown by the books of the Company.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, October 16, 1943.

