

**DOMINION
WOOLLENS**
— AND —
WORSTEDS
LIMITED



**SIXTH
ANNUAL REPORT
1934**

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DOMINION WOOLLENS
AND WORSTEDS
LIMITED

SIXTH ANNUAL REPORT
FOR YEAR ENDED JUNE 30TH,
1934

Presented to the Shareholders at the Annual
Meeting of the Company held
at Toronto on the
Twenty-seventh day of September,
1934



Executive Offices
TORONTO, ONTARIO

Mills at
Hespeler, Ontario
Peterborough, Ontario
Milton, Ontario
Orillia, Ontario

Sales Offices:

80 King Street West
Toronto, Ont.

Confederation Building
Montreal, Que.

BOARD OF DIRECTORS

President:

A. O. Dawson

Vice-President:

W. K. Trower

C. M. Heddle
John W. Hobbs

G. D. Perry
E. M. Saunders

Managing-Director:

Henry Barrett

Secretary-Treasurer:

F. C. Cockburn

Stock Transfer Agents:

National Trust Company, Limited
Toronto

Registrar of Transfers:

Royal Trust Company, Limited
Toronto

Bankers:

The Bank of Montreal

Auditors:

P. S. Ross & Sons
Chartered Accountants
Toronto

DOMINION WOOLLENS & WORSTEDS, LIMITED

Toronto, Ontario, September 15th, 1934.

DIRECTORS' REPORT

TO THE SHAREHOLDERS:

Your Directors submit herewith the Sixth Annual Report, covering the operations of the Company for the fiscal year ended June 30, 1934.

It is gratifying to report that substantial progress has been made, in the face of difficulties of a trying nature.

The value of shipments for the year shows an increase of 27% over the value for the previous year.

After providing for bond interest, bad debts and doubtful accounts, taxes, repairs and renewals, and all operating expenses, also after providing for depreciation amounting to \$92,000, the net loss for the year was \$1,326.80, thus reflecting an improvement of \$208,617.23 as compared with the previous year.

Your Company's plants have been maintained in excellent condition. Capital expenditures to the extent of \$67,829.77 have been made.

Wool prices have followed an erratic course, rising steadily during 1933 to a peak in January 1934, from which point a considerable decline has taken place.

Operations of your various plants have, since March last, been carried on at a much reduced rate of production, and little improve-

ment is yet in evidence. Your Directors are satisfied that this condition will be rectified as soon as buyers realize that the decline in wool values, which has been reflected in the price of your finished products, has run its course.

Your Directors wish to thank the staff and employees for their services during the year.

It is with profound regret that we have to report the passing of Dr. William Hanson, who had been a director of your company since its inception, and also of Mr. G. B. Woods, who was appointed to the Board less than a year ago.

The vacancy left by the death of Mr. G. B. Woods has been filled by the appointment of Mr. John W. Hobbs of Toronto.

The profit and loss account, together with the balance sheet, is submitted herewith.

The books and accounts of your Company have been audited, and the auditors' report is submitted herewith.

Respectfully submitted,

A. O. DAWSON, *President.*

CONDENSED STATEMENT

of

PROFIT AND LOSS ACCOUNT

For the Year Ended 30th June, 1934

Profits from operations before providing for Bond Interest, Bad Debts and Deprecia- tion.....	\$241,786.46
DEDUCT:	
Bond Interest.....	\$127,020.00
Interest on deferred Bond Interest.....	10,161.60
Bad Debts.....	13,931.66
Provision for Depreciation.....	92,000.00
	<hr/>
	243,113.26
Net Loss for Year transferred to Surplus Account.....	<hr/> <u>\$ 1,326.80</u>

DOMINION WOOLLENS & WORSTEDS, LIMITED

BALANCE

As at 30th

ASSETS

CURRENT:

Cash on hand and in banks.....	\$	13,367.97
Accounts Receivable.....		287,840.71
Inventories of Finished Goods, Goods in Process, Raw Materials and Supplies.....		1,294,795.37
Unexpired Insurance, Prepaid Taxes, etc.....		20,500.13
		\$1,616,504.18

Mortgage Receivable.....	\$	3,540.00
Balances due under Agreements of Sale —Re Houses.....		5,463.21
		9,003.21

FIXED:

At depreciated replacement values as certified by the Canadian Appraisal Co. Ltd., comprising Land, Buildings, Houses, Plant and Equipment, Water Power Lease, etc., with subsequent additions to date at cost.....	\$	4,530,066.68
Less Depreciation and Property Reserves.....		1,460,281.19
		3,069,785.49

Goodwill.....		1.00
		\$4,695,293.88

Toronto, Ont., 28th August, 1934.

DOMINION WOOLLENS & WORSTEDS, LIMITED, TORONTO.

We have examined the books and accounts of Dominion Woollens & Worsteds, Limited, for the year ended 30th June, 1934, and have received all the information and explanations which we have required.

In accordance with a resolution of your directors depreciation in the amount of \$92,000.00 has been reserved during the year under review.

Subject to the foregoing, we certify that, in our opinion, the attached Balance Sheet and relative Statement of Profit and Loss have been drawn up so as to exhibit a true and correct view of the financial position of the Company as at 30th June, 1934, according to the information and explanations given to us, and as shown by the books of the Company.

P. S. ROSS & SONS, Chartered Accountants.

DOMINION WOOLLENS & WORSTEDS, LIMITED

SHEET

June, 1934

LIABILITIES

CURRENT:

Bank Loan—Secured under Section No. 88 of the Bank Act and by registered Assignment of Book Debts.....	\$ 632,000.00	
Accounts and Bills Payable—Trade Bills Payable, secured.....	134,475.17 2,500.00	
Accrued Wages and other Accrued Liabilities.....	30,446.75	
Accrued Interest on Bonds (current) and on portion of Bond Interest deferred.....	17,571.10	
	\$ 816,993.02	

DEFERRED:

Accrued Bond Interest to 31st May, 1934, payable in eleven equal consecutive annual instalments commencing 1st December, 1937..	254,040.00	
First Mortgage 6% Twenty Year Sinking Fund Gold Bonds due 1948—Authorized.....\$5,000,000.00		
Issued—Series "A".....	\$2,250,000.00	
Less: Redeemed (prior to 30th June, 1932).....	133,000.00	
	2,117,000.00	
Reserve for Bad Debts.....	25,217.77	

CAPITAL AND SURPLUS:

Common Stock		
Authorized—155,000 shares of No Par Value.		
Issued—85,585 shares, fully paid.	\$ 855,850.00	
Surplus as at 30th June, 1933.....	\$627,519.89	
Loss for year ended 30th June, 1934.....	1,326.80	
	626,193.09	
	1,482,043.09	

Contingent Liability:

Raw Materials purchased under contract for future delivery have not been included in the above statement.

Approved on behalf of the Board:	{ A. O. DAWSON, <i>Director.</i> HENRY BARRETT, <i>Director.</i>	\$4,695,293.88
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