

Canadian Food's Net \$3.26 a Share, \$2.74 a Year Ago

Consolidated net profit of \$293,494 is reported by Canadian Food Products Ltd. for the fiscal year ended Oct. 30, compared with \$246,634 the preceding year. The 1944-45 net includes \$58,746 refundable portion of the excess profits tax and \$42,526 profit on sale of securities. It is equal to \$3.26 per share of the new Class A stock, entitled to an annual cumulative dividend of \$1 per share and, after allowing for a year's dividend on the Class A, to \$1.13 per share of common stock. In the preceding year net profit included \$56,900 refundable portion of the excess profits tax and \$14,726 profit on sale of securities, and was equivalent to \$2.74 per share of the present Class A stock and 87 cents per share of common stock.

Income and excess profits taxes for the year, including the refundable portion, amounted to \$441,865 and the report states the standard profits of the company and certain of its subsidiaries will not be finally determined until applications which have been filed are finally heard and dealt with. The usual practice has been followed in providing for taxation on a basis considered to be adequate and an additional reserve of \$50,000 has been set aside out of surplus to bring the total reserve for this purpose to \$100,000.

Several important acquisitions have been made since the end of the war in accordance with the previously formulated plans to expand the company's operations, the chairman reports. The businesses of **Barker's Bakeries, Limited**, Manning Biscuit Company Limited and Federal System of Bakeries Limited were purchased as a first step in the expansion of the operations of Woman's Bakery Limited, a wholly-owned subsidiary. Leases on several new shop locations also have been acquired for the various subsidiaries.

Sales and profits of Picardy Limited continue at a satisfactory level, having regard to the shortage of many supplies. The volume of business of Industrial Food Service has been substantially reduced with the cessation of hostilities but it is expected that this volume will be restored when industry has completed its reconversion to peacetime production.

Balance sheet at Oct. 30 reflects the expansion of the company during the past year. Net working capital of \$912,675 was an increase from \$511,249 at Oct. 31, 1944.