

18239

NAME Maikawa, J. Steve Hg. No. 18239

18239

MAIKAWA, J. STEVE Hg.  
18239

*Handwritten notes:*  
18239  
KWW/MC  
1/26/49

J-26  
Legal Section  
KWW/MC

Victoria Building,  
7 O'Connor Street,  
Ottawa, Ontario.  
January 26, 1949.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
VANCOUVER, B.C.

Re: T. Malkava Stores Limited  
Your File E/219  
Dear Mr. Shears:

We have for acknowledgment your communication of the 18th instant enclosing copy of P.S. Ross and Sons' report on winding-up of the above Company, for which please accept our thanks.

Yours very truly,  
  
K. W. Wright,  
Counsel to the Custodian.

NAME Malkava, T. Stores Ltd.  
No. 18239

*Handwritten notes at top of envelope:*  
18239  
18239  
18239  
18239

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO  
FILE NO. E/219

DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE CUSTODIAN  
CANADA  
January 18, 1949.

8-26

K.W. Wright, Esq.,  
Counsel to the Custodian,  
Office of the Custodian,  
Victoria Bldg.,  
70 Connor St.,  
Ottawa, Ont.

Dear Mr. Wright:

Re: T. Maikawa Stores Limited

I am enclosing herein copy of P.S.  
dated 10th January, 1949.

Yours very truly,

*F.G. Shears*  
F.G. Shears,  
Director.

FGS/GN  
Encl.

NAME Maikawa Stores Ltd.  
No. 18239

*Handwritten notes:*  
18239  
KRM/MC  
F. G. Shears, Esq.  
Director,  
Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B.C.

18239  
Legal Section  
KRM/MC

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
July 27, 1948.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B.C.

Re: F. Malkawa Stores Ltd.  
Dear Mr. Shears:

Enclosed herewith you will find copy of letter received from Tokio Malkawa under date of 21st instant, and I would appreciate if you would reply direct to Mr. Malkawa at your earliest convenience.

Yours very truly,

K. W. Wright,  
Counsel to the Custodian.

Encl.

NAME Malkawa, F. Stores Ltd.  
No. 18239

*18239 with Mr. R. B. Atkinson June 1945*

18239  
Legal Section  
KWM/MC

Tokio Maikawa, Esq.,  
175 Donlands Avenue,  
Toronto, Ontario.

Dear Sir:

Re: T. Maikawa Stores Limited

We have for acknowledgment your communication of the 21st instant, and wish to advise that a copy of your letter has been sent to Mr. F. G. Shears of our Vancouver Office, and we have requested him to reply direct to you.

Victoria Building,  
7 O'Connor Street,  
Ottawa, Ontario.  
July 27, 1945.

Yours very truly,

K. W. Wright,  
Counsel to the Custodian.

NAME Maikawa Stores Ltd.  
No. 18239

*18239*  
*Attchd*  
*18239*

The Custodian of Enemy Allen Property,  
Victoria Building,  
Ottawa, Ontario.  
July 21, 1948.  
175 Donlands Avenue,  
Toronto, Ontario,

Dear Sir:

Re: T. Maikawa Stores Ltd.

I was formerly president of T. Maikawa Stores Ltd., located at 365-369 Powell Street, Vancouver, which was taken over and later liquidated by you. I am the beneficial owner of 81 of the 1,252 shares of the company.

As a resident of Canada, I am, hereby, filing a claim for my share of the proceeds resulting from the liquidation of the company, and claim this as a right regardless of what share of residents of Japan, if any. I am, therefore, requesting 81/1252 part of the proceeds.

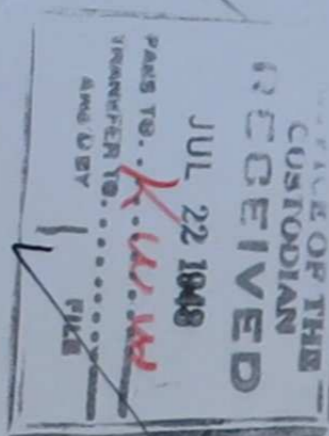
Also, I request a detailed statement of the gross and net realization from the liquidation of the assets of the company. An itemized breakdown would be very much appreciated.

Realizing that a good many points are likely to be involved in this matter, I shall be glad to have my representative meet with you, should you consider it advisable.

Yours very truly,

*T. Maikawa*

Tokio Maikawa,  
formerly president,  
T. Maikawa Stores Ltd.



*18239*

NAME *Maikawa, T. Stores Ltd.*  
No. *18239*

*File with Mr. A. G. Shears  
for 1948*

J24 & J26

Victoria Bldg., 7 O'Connor St.,  
Ottawa, Ontario  
June 22, 1948

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

Dear Mr. Shears:

Re: Komura Bros. Ltd. - File E/171  
T. Matkawa Stores Ltd. - File E/219

We have for acknowledgment your communication of the 17th instant and return herewith Messrs. P. S. Ross & Sons accounts for services rendered in connection with the above Companies, which have been approved for payment.

Yours very truly,

K. W. WRIGHT  
COUNSEL TO THE CUSTODIAN

KWW/JF  
Encl.

NAME

*Makawa Stores Ltd.*

No.

*18239*

*Vol I*

*File with the King file  
Atkinson  
January 1947*

J-26

Victoria Bldg., 7 O'Connor St.,  
Ottawa, Ontario  
January 7, 1947

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

Re: T. Maikawa Stores Limited  
Your File No. 219

Dear Mr. Shears:

We have for acknowledgment your communication of the  
3rd instant.

The form of proxy, enclosed with your letter, has been  
duly executed and is returned herewith.

Yours very truly,

K. W. WRIGHT  
COUNSEL TO THE CUSTODIAN

KWW/JF  
Encl.

NAME Maikawa Stores Ltd.  
No. 18239  
*Vol I*



*Handwritten notes:*  
1-22-47  
Atkinson  
per 18239

VIA AIR MAIL

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO 219

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.

3rd January, 1947.

FILE NO. 219  
Enemy Section

1-22-47

K. W. Wright, Esq.,  
Counsel to the Custodian,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. Wright:

Re: T. Maikawa Stores Limited.

You are registered as a shareholder of the above company and Messrs. P.S. Ross & Sons have advised me that a form of proxy does not appear to have been received.

Mr. Young is the Solicitor for this company and liquidation is being held in abeyance pending the receipt of a proxy.

Enclosed herein is the form for your signature which kindly complete and return at your earliest convenience.

Yours very truly,

*F. G. Shears*

F. G. Shears,  
Director.

FGS/PMH  
encl.

NAME Maikawa Stores Ltd.  
No. 18239

*Handwritten notes at top right of page, partially obscured.*

J-26

Victoria Bldg., 7 O'Connor St.,  
Ottawa, Ontario  
November 30th, 1946

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

Re: T. Matkawa Stores Limited  
Your File No. 219-A

Dear Mr. Shears:

We have for acknowledgment your communication of the  
22nd instant, with enclosures.

Vesting Order and Warrants herein, together with letter  
addressed to the above Company c/o Messrs. P. S. Ross & Sons, have  
been duly executed by the Assistant Deputy Custodian and are returned  
herewith.

Yours very truly,

J. Foy

Encl.

NAME Matkawa, T. Stores Ltd.  
No. 18239

*Handwritten notes:*  
1-16-46  
Attention  
per 10/1/46

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTODIAN'S OFFICE  
PLEASE REFER  
219-A  
FILE NO. Enemy Section

*Handwritten:* 9-26

506 Royal Bank Building,  
Vancouver, B.C.,  
22nd November, 1946.

K.W. Wright, Esq.,  
Counsel to the Custodian,  
Victoria Bldg., 7 O'Connor  
St.,  
Ottawa, Ontario.  
Dear Mr. Wright:

Re: T. Maikawa Stores Limited

In connection with the liquidation of the above  
company, on advice of Mr. Sheppard Mr. Field has requested that the  
shares not already vested should now be vested in the name of the  
Custodian.

Enclosed is Vesting Order covering 82 evacuee  
owned shares and Warrants to the Company transferring the 82 evacuee  
owned shares and 1 enemy share to the Custodian.

Kindly arrange for these documents to be signed by  
the Assistant Deputy Custodian and returned in due course.

Yours very truly,

*Handwritten signature:* F.G. Shears

F.G. SHEARS  
DIRECTOR

FGS/DG  
Encls.

NAME Maikawa Stores Ltd.  
No. 18239

AMERICAN FILE  
COMMUNION FILE  
CONTROL IN THE OFFICE  
PLEASE REFER  
TO  
FILE NO.

CANADA  
DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE QUORIAN

FORM 2

WHEREAS pursuant to the Revised Regulations Respecting Trading with the Enemy 1943, the Secretary of State on the 20th day of July, 1945, has appointed Frederick Field, Chartered Accountant of the City of Vancouver, in the Province of British Columbia, a Representative of P. S. Ross and Sons, as Controller of the T. Makawa Stores Limited with such powers as are exercisable by a liquidator in a voluntary winding-up of a company; and has since terminated such appointment.

AND WHEREAS the Secretary of State now requires that the Company be wound up and dissolved under the provisions of the Companies Act, R.S.B.C. 1936, Cap. 42.

NOW THEREFORE the Secretary of State by his duly authorized and lawful deputy hereby requires you, the said Frederick Field, to have commenced and continued all proceedings for a voluntary winding-up of this Company, and the Secretary of State as a shareholder of the said Company does hereby appoint you as his proxy to vote for him and on his behalf at any meeting of the Company to be held in connection with such winding-up proceedings, and in particular:-

- (a) To pass a Special Resolution that the Company be wound up and that you be appointed as liquidator, and,
- (b) To pass resolutions introduced at the final meeting before dissolution held pursuant to Sec. 222 of the Companies Act.

DATED at Ottawa, this 17th day of August, A.D. 1946.

*F. H. B. Brown*  
Under Secretary of State

*17th - 20th Aug. 1946  
F. H. B. Brown  
18239*

NAME Makawa Stores Ltd.  
No. 18239

*Handwritten notes at top right of envelope flap.*

ADDRESS ALL COMMUNICATIONS TO THE CUSTODIAN'S OFFICE PLEASE REFER TO FILE NO. 219

*J-26*  
Enemy Section

CANADA  
DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
27th November, 1945.

Miss Carroll,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Miss Carroll,

Re: J. Maikawa Stores Limited.

We are in receipt of your letter of the 21st instant and thank you for returning the Discharge and Release of Control of Messrs. P.S. Ross & Sons and also of Mr. Frederick Field as Liquidator, duly executed by the Assistant Deputy Custodian.

Yours truly,

*F. G. Shears*  
F. G. Shears,  
Director.

PMH

NAME Maikawa, J. Stores Ltd.  
No. 18239

*Handwritten notes:*  
18239  
Malkawa Stores Ltd.  
18239

1-26

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
November 21, 1945.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
806 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Shears:

Re: T. Malkawa Stores Limited

Your letter of November 17th, together with the enclosed Release of Control, has been received.

The release has been duly executed and is returned herewith.

Yours very truly,

Miss F. Carroll

FC.

NAME Malkawa, J. Store Ltd.  
No. 18239

*Handwritten notes:*  
1-26  
Attorney  
for 18239

J-26

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
November 19, 1945.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Shears:

Re: T. Maikawa Stores Limited

Your letter of November 13th enclosing copy of  
Messrs. P. S. Ross & Sons' report on liquidation dated the  
25th October, 1945, has been received.

It is noted that releases herein have been asked for  
by the liquidator. We assume that if you are prepared to take  
over the remaining assets, your recommendation, together with  
the releases for signature will be forwarded to us in due course.

Yours very truly,

K. W. Wright  
Counsel to the Custodian

KWW/FC.

NAME Maikawa Stores Ltd.  
No. 18239

*Handwritten notes at top right of page, including "17th Nov 1945" and "K. W. Wright".*

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTODIAN'S OFFICE  
PLEASE REFER  
TO  
FILE NO. 219  
Enemy Section

506 Royal Bank Building,  
Vancouver, B.C.  
17th November, 1945.

*J-226*  
K. W. Wright, Esq.,  
Counsel to the Custodian,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. Wright:

Re: T. Maikawa Stores Limited.

Reports received from Messrs. P. S. Ross & Sons have previously been forwarded to your office.

We are enclosing herein Release of control granted to Messrs. P. S. Ross & Sons and also Release of Mr. Frederick Field as Liquidator.

Kindly have these documents signed by the Assistant Deputy Custodian and returned in due course.

Yours truly,

*F. G. Shears*

F. G. Shears,  
Director.

FGS/PMH  
encl.

NAME *Maikawa Stores Ltd.*  
No. *18239*



*Handwritten notes on the envelope flap:*  
This is the first of the  
Attaches  
from 1943

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTODIAN'S OFFICE  
PLEASE REFER  
TO  
FILE NO. 219  
Enemy Section

*Handwritten:* 1-26

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
13th November, 1945.

K. W. Wright, Esq.,  
Counsel to the Custodian,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. Wright:

Re: T. Maikawa Stores Limited.

I am enclosing herein copy of Messrs. P.S. Ross & Sons' Report on Liquidation dated the 25th October, 1945, in respect of the affairs of the above mentioned company as at 30th September, 1945.

Yours very truly,

*Handwritten signature:* F. G. Shears

F. G. Shears,  
Director.

PMH  
encl.

NAME

*Maikawa Stores Ltd.*

No.

*18239*

*1011*

*File with Mr. McPherson  
Attention  
June 1945*

5-26

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
March 27, 1945.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
806 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Shears:

Re: J. Makawa Stores Limited

I am pleased to enclose a copy of a letter just received from P. S. Ross & Sons, Montreal, together with the statement referred to. This statement comes as a result of my discussion with Mr. Gates which is referred to in my letter to you of February 2nd on the above file and, I think, gives a better picture of the results of the liquidation policy.

Yours very truly,

G. W. McPherson  
Executive Assistant

GWM:AP/PC.

NAME

*Makawa J. Stores Ltd.*

No.

*18239*

*2041*

*File with Mr. McPherson  
McPherson  
Jan 1945*

J-22

Victoria Building,  
7 O'Connor Street,  
Ottawa, Ontario.  
March 27, 1945.

P. S. Ross & Sons,  
Chartered Accountants,  
Royal Bank Building,  
360 St. James Street,  
Montreal, Quebec.

Dear Sirs:

Re: T. Melkara Stores Limited

I have your letter of March 19th enclosing statement summarizing the results of the controlling and liquidating of the above company to December 31, 1945, and wish to thank you for same.

Yours very truly,

G. W. McPherson  
Executive Assistant

GWMGP/FO.

NAME

*Melkara, 1 Store Ltd.*

No.

*18239*

*2041*

*126-111-111-111-111  
Attention  
P. S. Ross & Sons*

ESTABLISHED 1828

CABLE ADDRESS: PHILROSS

MAJ GEN J G ROSS, C.M.G.  
J. W. ROSS, L.L.B.  
S. R. CAMPBELL,  
W. L. GRANT,  
D. G. HAYTHORN,  
H. A. ROSS,  
H. M. SMITH,  
G. E. HOULT,  
W. B. PECKHAM,  
H. S. J. MURPHY,  
F. E. H. GATES,  
F. A. ROSS,  
G. G. HARRIS,

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS  
MONTREAL TORONTO WINNIPEG  
CALGARY VANCOUVER

Centre No. 1

ROYAL BANK BUILDING  
360 ST. JAMES STREET  
MONTREAL, QUE.

March 19, 1945.

Office of the Custodian,  
Department of Secretary of State,  
70 Connor Street,  
Ottawa, Ont.

Dear Sirs:  
Attention: Mr. G.W. McPherson

Re: T. Malkawa Stores Limited

The attached statement summarizes the results from the Controlling and Liquidating of the above Company to 31st December 1944, upon which detailed reports have already been submitted.

An additional copy is enclosed in case you may wish to send it to your Vancouver office. We have also forwarded a copy to Mr. Field.

Yours very truly,

*D. S. Ross*

NAME

*Malkawa Stores Ltd.*

No.

*18239*

with Mr. Ross  
Atkinson  
Jan 15/45

J-26

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B.C.

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
February 2, 1945.

Dear Mr. Shears:

Re: T. Malkawa Stores Limited

I have considered P. S. Ross & Sons' report on the liquidation of the above company dated January 20, 1945.

I spent this morning discussing the Vancouver emergency problems with Mr. Gates and I pointed out that this report indicates that the liquidation at the moment has resulted in a deficit of \$8204.40. I do not think this gives a true picture of the situation from the Custodian's standpoint although from an accounting standpoint I have no doubt it is correct.

You will note that the Profit and Loss Statement for last year shows a net loss of \$4,688.83. In the Balance Sheet as at the 31st of December last the building and land are valued at approximately \$25,000.00 and there is an option outstanding to sell this property for \$12,500.00. This means we will realize 50% of its book value and the total deficit will, therefore, be increased to approximately \$20,000.00. This deficit is, of course, based on the book value of the company's assets at the time we took over, at which time there was also a surplus of approximately \$2000.00 so we would appear to have lost this too and the deficit is therefore in the neighbourhood of \$25,000.00 which, of course, means that the value of the shares has been decreased proportionately.

However, the true picture from the Custodian's standpoint would be better shown by a statement which, while it would have to start on the basis of the book value and would show a loss in realization of assets on that value, the total cost of the liquidation would be so indicated in the statement as to make it clear that the cost of realizing the assets would not in itself result in a deficit. I am not a chartered accountant but I think you will understand what I mean and I got the point across to Mr. Gates this morning. He is

NAME

Malkawa Stores Ltd.

No.

18239  
copy

*with Mr. McPherson  
Atkinson  
Jan 15/43*

drafting a statement which will be included in all future reports and will indicate what the cost of the liquidation of enemy assets has been in proportion to the assets liquidated since I think such a statement will be very useful if in the future the Custodian has to justify the actions taken by his agents.

Mr. Gates will likely be writing to Mr. Field about this but I thought you might like to be advised. I do not think you should take the matter up with Mr. Field.

The principal reason for writing this letter relates to the claim of T. Maikawa set up on Exhibit 4 of the report at \$15,337.98. My recollection is that this party claimed these were advances to the company out of funds he won in gambling and Mr. Field was never really satisfied with his claim. I think the time has now arrived when we must consider the claim and determine whether or not we are going to pay it. This should be done before a release is granted to the liquidator. Would you please discuss this with Mr. Field and, if you consider it necessary, with Mr. Wright and Mr. Sheppard. You might endeavor to have their views ready for me on my arrival in Vancouver.

Yours very truly,

G. W. McPherson  
Executive Assistant

GWMGP/FC.

NAME

*Maikawa, T. Stone St.*

No.

*18239*

*Vol I*

*with Mr. McPherson  
1/22/45*

*J-22*

Victorie Building,  
70 Connor Street,  
Ottawa, Ontario.  
January 31, 1945.

F. G. Sheers, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Sheers:

Re: T. Maikawa Stores Limited

I have your letter of January 24th enclosing P. S. Ross & Sons' report on the liquidation of the above company, and wish to thank you for same.

On reading this report I notice on page 2 that \$50.00 has been offered for merchandise belonging to this company and other companies. I assume that this offer has been accepted if you considered it suitable.

Yours very truly,

G. W. McPherson  
Executive Assistant

GMMCP/FC.

NAME

*Maikawa Stores Ltd.*

No.

*18239*

*Vol I*

*with Mr. McPherson  
1/24/45  
F. G. Shears*

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO  
FILE NO. 219

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
24th January, 1945.

Legal Section

G.W. McPherson, Esq.,  
Executive Assistant,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. McPherson:

Re: T. Maikawa Stores Limited.

I am enclosing herein Messrs. P.S. Ross & Sons' Report on the Liquidation of the above company dated 20th January, 1945.

Yours very truly,

*F. G. Shears*

F. G. Shears,  
Director.

PMH  
encl.

NAME Maikawa, T. Store Ltd.  
No. 18239



with the other files  
Bibb  
from 1943

J-226

VANCOUVER SUN, SEPTEMBER 30, 1944

### JAPANESE MERCHANDISE FOR SALE

By virtue of my appointment as Controller, made by the Secretary of State of Canada, acting in his capacity as Custodian under the Enemy (Control) Regulations Respecting Japanese Merchandise, I am authorized to offer for sale by public tender the parcels of Japanese merchandise, principally drugs:

**Parcel 1**—Stock of Japanese merchandise, formerly owned by T. Matkawa Stores Limited.

**Parcel 2**—Stock of Japanese merchandise, formerly owned by Komura Bros. Limited.

**Parcel 3**—Stock of Japanese merchandise, formerly owned by Atsuta, Furuya Company Limited.

Tenders will be received by the undersigned Controller at his office, up to noon on the 15th day of October, 1944, in each case—Daylight Saving Time—the 15th day of October.

- (1) Separate tenders upon the following terms and conditions:
  - (a) A certified check must be made for an amount of ten per cent (10%) of the value of the tender.
  - (b) The balance of the offered price must be paid on the day of the tender by the Controller; subject to the condition that the tenderer shall be allowed to inspect the goods offered and should the tenderer be satisfied with the quality of the goods, he shall be bound to accept the goods as tendered and the tenderer shall be liable for the charges in respect of unaccepted bids which will be returned in whatever form.
- (2) The goods are offered for sale without any warranty or condition, and while the general interest may be quantified from the inventories in the office of the Controller, the sale thereof shall be made in each case subject to the shortages and overages, the shortages to be subject to tenderer's risk.
- (3) Neither the highest nor any tender will necessarily be accepted.
- (4) The envelope enclosing offers should be marked "Tender—Japanese Merchandise," and addressed as follows:  
FREDERICK FIELD,  
Controller,  
c/o P. S. Ross & Sons,  
411 Royal Bank Building,  
Vancouver, B.C.

The detailed inventories of the assets on which tenders are being called may be inspected during the office hours of any day up to noon on the 14th day of October, 1944, at the office of the Controller, and arrangements can be made with the Controller for permission to inspect the said assets.

DATED at Vancouver, B.C., this 30th of September, 1944.  
FREDERICK FIELD, C.A.,  
Controller.

NAME Matkawa, T. Store Ltd.  
No. 18239

*with the the file  
Bibb  
per 1/23*

1-22

VANCOUVER PROVINCE, MARCH 23, 1944

*This business is being liquidated by P. S. Ross & Sons, Comptrollers, pursuant to authority of the Secretary of State of Canada, acting in his capacity as Custodian.*

# FLANNELETTE!

Here's a plum for the early pickers! Hard-to-get fleecy, good quality flannelette at a quick clearance price of:

- 28 inches wide.  
Per yard ..... **19c**
- 36 inches wide.  
Per yard ..... **22c and 25c**  
In fairness to all — five-yard limit to each person.

## Flannelette Blankets

We have a few pairs of these fine quality blankets for the early shopper at ...

**\$3.50**

per pair

### CANDY FOR THE KIDS

- Maple Buds and Toffee—  
(Limit 1/2-lb.) 4-oz. bag ..... **13c**
- 1/4-lb. .... **25c**

### TICKING

35 inches wide.  
Yard .....

**25c**

### DUCK

(6-oz.), 29 1/2 inches wide.  
Yard .....

**25c**

T. Maikawa Stores Limited

**369 POWELL STREET**

Between Gore and Dunlevy  
1 1/2 Blocks East of Main

NAME

*Maikawa Stores Ltd.*

No.

*18239*

*101*

*with Mr. Field  
McPherson  
1944*

ADDRESS ALL  
COMMUNICATIONS  
TO THE OFFICE  
OF THE CUSTODIAN  
PLEASE REFER  
TO  
Int. 219

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
11th March, 1944.

*File*

G.W. McPherson, Esq.,  
Executive Assistant,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. McPherson:

Re: T. Malkawa Stores Limited.

I enquired from Mr. Field recently in regard to the progress of Malkawa Stores.

Enclosed please find his Report on the liquidation dated 6th March, 1944. You will notice that the stock as at September 30th was \$30,622.21 and as at the end of February it has been reduced to \$6,736.97. You will also note that Messrs. P.S. Ross & Sons anticipate that the sale will be completed by the end of this month. In any case we should be drawing some-what to the end and may have to dispose of the balance of the merchandise after closing the store.

Yours very truly,

*F. G. Shears*  
F. G. Shears,  
Director.

FGS/PMH  
encl.

NAME Malkawa Stores Ltd.  
No. 18239



Handwritten notes at top right of page, including "Attorney" and "February 2, 1944".

File # J-26

COPY/EM

Extract from: P. S. ROSS & SONS' LETTER  
Dated: February 2, 1944.

T. MAIKAWA STORES LIMITED

This company was advertised for sale as a going concern. Only one bid was received, being \$700.00 for the fixtures, having an appraised value of over \$2,000.00 and the Canadian merchandise, .70¢ on the dollar. We gave very careful consideration to this offer but came to the conclusion that we should be able to realize more than the amount offered. It was our plan to carry on a closing-out sale in the regular course of business. This was recommended to you and received your approval and we commenced operations on this basis early in December. Up to the 31st January sales have been made of just over \$20,000.00 which, after allowing for expenses of operation, would more than equal the bid of .70¢ on the dollar.

We propose to operate the store for another month and believe that during that time it should be possible to realize between \$5,000.00 and \$6,000.00 after payment of operating expenses. There was no offer made for the real estate in response to the advertisement but we have received an inquiry in the past few days which we hope will prove interesting. At the present time, other than the balance due to T. Maikawa for \$11,500.00 and interest, the company has no liabilities other than current expenses. The company has on hand bonds to the value of \$36,000.00 and a cash balance of \$18,000.00 and to this will be added the subsequent realization of the real estate, fixtures and remaining stock.

NAME Maikawa Stores Ltd. No. 18239

*Handwritten notes:*  
 1-226  
 J-226  
 1-226  
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 1-226

VANCOUVER SUN, JANUARY 26, 1944.

This business is being liquidated by P. S. Ross & Sons, Controllers, pursuant to authority of the Secretary of State of Canada, acting in his capacity as Custodian.

# SALE

## NOW IN FINAL STAGES

### Act Now if You Want Bargains!

**MEN'S TIES**  
 Fine Quality and Assortment  
 Reg. 50c for 39c  
 Reg. 75c for 59c  
 Reg. \$1.25 to \$2.00 for 98c

**MEN'S FINE DRESS GLOVES**  
 Regular \$1.45 to \$4.00  
 Special 98c to \$2.98

**24 ONLY MEN'S SUITS 24 ONLY**  
 Good quality. Sizes 32, 33, 34, 35. In blue serge, tweed and flannel. Good value at \$35.00 to \$45.00.  
**TEXEDOS AND TAILS**—(Coats only) Sizes 32 to 35. \$14.95  
 To clear at, each  
**3 PRINCE ALBERT SETS**— Sizes 32 to 35. \$9.95  
 2 size 38 and 1 size 40. To clear, each  
**BASEBALL CAPS**—Reg. 35c. Each \$19.95  
 19c

**LADIES' HATS**  
 Felt, and straw. Reg. \$1.95 to \$3.50. 49c  
 To clear, each

**DRESSMAKERS!**  
 We have a large assortment of buttons, buckles, zippers, and silks. All at a discount. Dress materials in fine and heavy modern, velvets, silks at further reduced prices.

Orocery, Glassware, Patent Medicines, Cosmetics

**Everything Must Be Sold!**

**T. MAIKAWA STORES LIMITED**  
**369 Powell Street**  
 Between Gore and Dunlevy  
**1 1/2 BLKS. EAST OF MAIN**

NAME Maikawa Stores Ltd.  
 No. 18239

Handwritten notes at top right of page, including "1-26" and "Attention".

1-26

VANCOUVER SUN, JANUARY 21, 1944

This business is being liquidated by P. S. Ross & Sons, Com-  
prokers pursuant to authority of the Secretary of State of  
Canada, acting in his capacity as Custodian.

# PRICES REDUCED STILL FURTHER!

*Balance of Stock Must Be  
Sold in Next Few Weeks!*

Still Many Wonderful Bargains  
Left for Thrifty Shoppers

## LADIES' and MISSES' DRESS MATERIALS

Pre-War Woolens, Home  
Spuns, Silks (Plain and Print-  
ed), Broadcloths and Cottons  
(Plain and Printed).

## DRESSES

For Ladies and Misses  
Prints, Silks and Woolens,  
priced ... \$1.49 to \$6.75  
Misses ... 69¢ to \$2.98

## COATS

Fur-Trimmed, Showerproof  
and Light Summer Coats.

## SKIRTS — WAISTS JACKETS

SCHOOL BAGS, with straps,  
leather and leatherette. Reg-  
ular 45¢ to \$4.50. Clearing  
at ..... 19¢ to \$2.49

CROCKERY — GLASSWARE — PATENT MEDICINES —  
COSMETICS

## Attention MEN and BOYS

MEN'S RUBBER COATS—  
Short and ¾ length—  
\$1.95 to \$5.95

MEN'S RUBBER APRONS—  
39¢ to \$1.19

MEN'S BONE-DRY PANTS  
—Clearing at—  
\$4.69

MEN'S WORK PANTS —  
Blue, grey, khaki. Clearing  
at—  
\$1.59 to \$2.39

MEN'S ALL-WOOL PANTS  
—Grey and khaki—  
\$5.39 to \$6.75

Men's and Boys' Dress and  
Work Gloves, Suits, Sport  
Jackets, Dress and Work  
Shirts, Hats and Caps, Dress  
and Work Socks.

**T. MAIKAWA STORES LIMITED**  
**369 POWELL STREET**  
**BETWEEN GORE and DUNLEVY**  
**1½ BLKS EAST OF MAIN**

NAME Maikawa, J. Store Ltd.  
No. 18239

*Matched with the King of the  
Attacker  
Jan 1943*

1-26

VANCOUVER SUN, JANUARY 12, 1944

This business is being liquidated by E. S. Ross & Sons, Controllers pursuant to authority of the Secretary of State of Canada, acting in his capacity as Custodian.

# SALE CONTINUES!

## Everything Must Go! No Items Will Be Spared!

**Men's Sport, Shower-proof and Whippard jackets**  
Regular \$6.95 to \$10.95. Clearing at **\$3.95 to \$8.95**

**Heavy Fleece-lined jackets**  
Ideal for Hunters. Sizes 36 to 42. Regular \$1.75. Clearing at **89c**

**Ladies' All-Wool Jackets**  
Stripes and plaids. Regular \$5.95. Clearing at **\$2.50**

**BOYS' SUITS**  
28 to 34. Clearing at **\$7.95 - \$8.95**

**DUBARRY CLEANSING CREAM**—\$1.25 size 98¢  
**MARVELOUS FOUNDATION AND COLD CREAM**—75c size .....

**THREE FLOWERS VANISHING AND CLEANSING CREAM**—60c size .....

**THREE FLOWERS FACE POWDER**—50c size .....

**UTENA CLEANSING CREAM**—60c size .. 39¢  
All Toilet Goods and Patent Medicines at Clearing Prices.  
China Oddments at Greatly Reduced Prices.

T. MAIKAWA STORES LIMITED

**369 POWELL ST. (Between Gore and Dunlavy)**  
**— 1 1/2 BLKS. EAST OF MAIN —**

NAME *Maikawa Stores Ltd.*  
No. *18239*



*Handwritten notes:*  
Mailed with Mr. Ross  
Attention  
Jan 15/44

1-26

VANCOUVER SUN, JANUARY 5, 1944

This business is being liquidated by P. S. Ross & Sons, Controllers pursuant to authority of the Secretary of State of Canada, acting in his capacity as Custodian.

# ENTIRE STOCK MUST GO! THRIFTY SHOPPERS - TAKE ADVANTAGE OF THESE BARGAINS WHILE THEY LAST!

**LADIES' FUR-TRIMMED COATS**  
Made of All-Wool material, several shades. Values up to \$50.00.  
Clearing at ..... **\$7.75 to \$25.50**

**SHOWER-PROOF GABARDINES**  
Plaid lined. Sizes 14 to 20. Regular \$14.95.  
To clear ..... **\$10.95**  
**REVERSIBLE COATS.** Sizes 14 to 20.  
Regular \$21.50. To clear ..... **\$15.95**

**LEATHER AND RUBBER FOOTWEAR**  
MEN'S OXFORDS—Black, brown, tan, kid and cut. Sizes 5 1/2 to 7 1/2. Regular \$5.25 to \$6.25. To clear at ..... **\$2.98 to \$4.15**  
MEN'S WORK BOOTS—Sizes 6 to 11 1/2. To clear at ..... **\$1.98 to \$3.98**  
BOYS' DRESS OXFORDS—Black, tan, black calf. Sizes 1 to 5. Regular \$2.98. To clear at ..... **\$1.98 to \$2.98**  
BOYS' WORK BOOTS—Sizes 1 to 5. To clear at ..... **\$1.98 to \$2.98**  
**RUBBER FOOTWEAR AT GREATLY REDUCED PRICES FOR MEN, BOYS, GIRLS AND CHILDREN**

LADIES' STRAPS, PUMPS, OXFORDS — Sizes 2 1/2 to 5 1/2. To clear at ..... **\$1.98 to \$3.45**  
CHILDREN'S STRAPS AND OXFORDS ..... **98¢ to \$2.15**  
WOMEN'S GALOSHES—In brown and black two-tone. 2 1/2 to 4 1/2. To clear at ..... **\$1.29 to \$1.79**  
DANVANS SHOES—(Rubber soles.) Regular \$1.35. To clear **79¢**

**369 POWELL STREET, NEAR DUNLEVY AVENUE**  
Take street car to Powell and walk one block and a half east.  
**T. Maikawa Stores Limited**

NAME Maikawa Stores Ltd.  
No. 18239

*matched with the file  
Attachment  
Jan 15/43*

VIA AIR MAIL

ADDRESS ALL  
COMMUNICATIONS  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO  
FILE No. 219 (Int.)

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
10th December, 1943.

G.W. McPherson, Esq.,  
Executive Assistant,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. McPherson:

Re: T. Maikawa Stores Limited.

I thank you for your wire advising that approval would be given to the sale of the Maikawa merchandise on the basis outlined in my telegram provided that the deal was recommended by Messrs. P. S. Ross & Sons.

It appeared to me that Mr. Field would likely be asking for a quick decision in regard to this matter and I wanted your re-action to the acceptance of a deal of the kind suggested.

However, the opinion expressed by Gault Bros. was decidedly against the acceptance of the offer and they suggested that better results could be obtained by well advertising a closing out sale in a month or so auctioning the balance which might remain. Messrs. P.S. Ross & Sons have recommended this procedure and I have approved of same and they are to make it immediately effective.

I am enclosing a copy of Messrs. P.S. Ross & Sons' letter to ourselves in this connection and copy of my reply.

Yours very truly,

*F.G. Shears*

F. G. Shears,  
Director.

FGS/PMH  
encl.

NAME Maikawa Stores Ltd.  
No. 18239

219 (Int.)

506 Royal Bank Building,  
Vancouver, B.C.  
10th December, 1943.

Messrs. P.S. Ross & Sons,  
411 Royal Bank Building,  
Vancouver, B.C.

Dear Sirs:

Re: T. Makawa Stores Ltd.

I have your letter of the 8th instant in regard to the disposition of the merchandise of the above company.

I observe that Gault Bros. have examined the stock and do not favour a sale at 70¢ on the dollar in that they believe a better return could be made in the manner they suggest.

I presume that you have analysed this suggestion and are satisfied that sufficient increase over normal sales is likely to take place so that in a short time the stock would be down to very small proportions. The discontinuance of new purchases, the advantage of the Christmas season, coupled with the selling campaign may combine to bring this about.

On the strength of your recommendation in regard to this matter we are prepared to authorise you to proceed along the lines indicated. I think the manner of the disposition of the final stock when its sufficiently reduced could be decided later. This might depend upon the quantity and variety of goods left unsold.

You will the fore kindly advise when this stage is reached and submit a definite recommendation as to that time in regard to cleaning up the final balance of merchandise still on hand.

Yours truly,

F. G. Shears,  
Director.

FCS/PMH

*F. G. Shears*

NAME

*Makawa Stores Ltd.*

No.

*18239*

*at I*

AGANAC  
DEPARTMENT OF THE SECRETARY OF STATE

*Atkinson  
12/15/43*

For Mr. G. W. McPherson, Ottawa.

Our File 295-138  
Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

December 8th, 1943.

Dear Sirs:

Attention: Mr. F. G. Shears  
Re: T. Malkawa Stores Ltd.

On the 25th day of November, 1943, there was opened in the presence of Mr. Shears and our Mr. Field the sole tender for the assets of T. Malkawa Stores Limited. This bid was made by Army & Navy Stores Limited and they tendered an offer of seventy cents on the dollar for the stock of merchandise and they tendered an offer of seventy fixtures. The appraisal we secured on the fixtures shows a valuation of \$2,311.50 for the merchandise and a valuation of \$2,311.50 for the fixtures. We recommend that the offer for the fixtures be refused.

We have given the matter of the bid of seventy cents on the dollar for the merchandise considerable thought and have had several interviews with both Mr. Shears and Mr. Wright therewith. It was finally decided to ask the officials of Messrs. Gault Bros. Limited to give their opinion as to the adequacy of this offer.

Two of Messrs. Gault Bros.' staff made an examination of the stock on hand and report as follows: In their opinion the offer of seventy cents on the dollar should not be accepted. They point out that while there is certain merchandise that is not particularly saleable in Vancouver due to it being in small sizes and more or less suitable for Japanese trade, the biggest part of the stock is very saleable and this is the reason for their opinion. They also point out that there is a substantial stock of groceries and that the offer on these should not be less than ninety cents on the dollar. They suggest that a closing-out sale be initiated immediately, that certain advertising be undertaken in connection therewith, that due care be taken in the store to prevent pilfering, that with the Christmas season to work on it should take a relatively small time to bring the stock down to a very small level. During the period of sale, they would suggest that no further purchases be made. They believe that in this way it should be possible to secure a return considerably in excess of the seventy cents on the dollar offered.

This recommendation seems to us quite sound and we would recommend that we be authorized to proceed along these lines. We would suggest that when the stock is reduced to around \$5,000.00, it might then be feasible to put on an auction sale to clean up the balance.

We would ask you to be good enough to consider our recommendations as quickly as possible so that, should you approve, we may proceed to make the necessary arrangements.

Yours faithfully,  
*F. G. Shears*  
F. G. Shears

NAME *Malkawa Stores Ltd.*  
No. *18239*

*mailed with this file  
Atkinson  
pauwels*

CLASS OF SERVICE	
Full Rate	
Day Letter	
Night Message	
Night Letter	

Please mark an X opposite the class of service desired.

# CANADIAN PACIFIC TELEGRAPHS

MONEY TRANSFERRED BY TELEGRAPH TO PRINCIPAL POINTS IN CANADA AND THE UNITED STATES



CABLE CONNECTIONS TO ALL PARTS OF THE WORLD  
RADIOGRAMS TO SHIPS

TIME FILED
CHECK

Send the following message, subject to the conditions on the back thereof, which are hereby agreed to.

F G SHEARS ESQ  
DIRECTOR  
OFFICE OF THE CUSTODIAN  
506 ROYAL BANK BLDG  
VANCOUVER B C

RETEL CUSTODIAN APPROVES SALE MAIKAWA MERCHANDISE PROVIDED DEAL RECOMMENDED BY ROSS

Charge to Custodian's Office.  
G/M/MCP/FC. File #.J-26

G W MCPHERSON  
EXECUTIVE ASSISTANT

OTTAWA ONTARIO  
DECEMBER 8 1943

W. D. NEIL, General Manager of Communications, Montreal

C.D. 2X

NAME *Maikawa, J. Stone Ltd.*  
No. *18239*

*matched with the file  
Address  
from 1823*



**CANADIAN PACIFIC**  
**TELEGRAPHS**  
*World Wide Communications*

CD 1 X  
W. DONNEIL, GENERAL MANAGER OF COMMUNICATIONS, MONTREAL

VR Y 77 NL., VANCOUVER BC DEC 6.  
G.W. MCPHERSON, EXECUTIVE ASSISTANT TO THE SECRETARY OF STATE, OF CANADA OTTAWA.  
**1908**

ONLY TENDER RECEIVED MAIKAWA MERCHANDISE ARMY AND NAVY SEVENTY CENTS  
ON DOLLAR WHOLESALE PRICE STOP ROSS APPROACHING GALTS LTD FOR  
OPINION STOP GALTS PREPARED SUPPLY MAN TO INVENTORY AT WHOLESALE  
PRICES STOP ARMY AND NAVY WANT STOCK AT ONCE FOR  
CHRISTMAS TRADE IF ROSS RECOMMEND AM OF OPINION WE SHOULD  
APPROVE STOP APPROXIMATE VALUE TWENTY FIVE THOUSAND STOP RESULTS BY  
AUCTION WOULD BE PROBLEMATICAL NO OFFER RECEIVED ON REAL ESTATE  
PLEASE WIRE YOUR OPINION FOR MY GUIDANCE .  
F.G.SHEARS, 150AM.,

NAME Maikawa, J. Stone Ltd.  
No. 18239

*Submitted with Mr. McPherson  
for 10/12/43*

ADDRESS ALL  
COMMUNICATIONS  
CUSTODIAN'S OFFICE  
PLEASE REFER  
FILE NO. 219 (Int.)

CANADA  
DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
22nd November, 1943.

G.W. McPherson, Esq.,  
Executive Assistant,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. McPherson:

Re: T. Malkawa Stores Limited

I am in receipt of your letter of the 16th instant  
and have to thank you for the enclosures contained therein  
including the new conveyance duly executed by the Deputy  
Custodian.

Yours very truly,



F. G. Shears,  
Director.

PMH

No. 18239  
1011

NAME Malkawa Stores Ltd.

*Handwritten notes:*  
Submitted under the Act's file  
B. C. C. C.  
from 1943

J-26

Victoria Building,  
7 O'Connor Street,  
Ottawa, Ontario.  
November 16, 1943.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Shears:

Re: T. Malkawa Stores Limited

I have Mr. Wright's memorandum of November 11th, addressed to you, together with the enclosures. The new conveyance has been duly executed by the Deputy Custodian and is returned herewith together with the former conveyance on which the signatures have been cancelled.

Yours very truly,

G. W. McPherson  
Executive Assistant.

FC.

NAME Malkawa Stores Ltd.

No. 18239

1011



*Submitted with this file  
Attachments  
1/15/43*

File No. 219 A

November 11th, 1943

MEMORANDUM

TO: MR. F.G. SHEARS  
FROM: MR. K.W. WRIGHT

Re: T. Maikawa Stores Limited

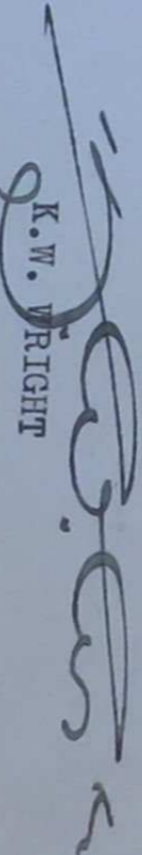
Attached hereto you will find, Conveyance in duplicate, dated the day of November, 1943, for signature of the Deputy Custodian. This relates to property known as 346 Alexander Street which is transferred to Pursor Brothers in exchange for the warehouse property known as 354 Alexander Street; the latter parcel being at the rear of the Maikawa Stores, 369 Powell Street.

A Conveyance was prepared by Mr. Albert H. Young in December, 1942, who reports in part as follows:

"The Deputy Registrar also took objection to the deed from the Secretary of State of Canada to the pursor brothers covering Lot 13 and Westerly half of Lot 14, Block 40, D.L. 196, as it did not contain the name of the personal representative of the deceased brothers. I drew this deed in that manner at the suggestion of one of the clerks of the Land Registry Office. He told me at that time to wipe out the interests of the deceased brothers by appropriate Quit Claim Deeds if all the heirs of the deceased brothers by appropriate Quit Claim Deeds if property only to the living brothers. I shall prepare another deed in due course to satisfy the Deputy Registrar and I shall send it to you for execution by the Secretary of State."

We passed the document and Mr. McPherson executed it some time ago. The one now submitted replaces the deed signed, in duplicate, by Mr. G.W. McPherson; signatures have been cancelled and we suggest that these go forward with the new documents for Mr. McPherson's inspection.

KWW/DG  
Attachs

  
K.W. WRIGHT

NAME Maikawa Stores Ltd.  
No. 18239

VIA AIR MAIL

ADDRESS ALL  
CORRESPONDENCE TO THE  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO  
FILE NO. 219

DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE CUSTOMER

506 Royal Bank Building,  
Vancouver, B.C.

G. W. McPherson, Esq.,  
Executive Assistant to the  
Secretary of State of Canada,  
Victoria Building,  
Ottawa, Ontario.

Dear Mr. McPherson:

Re: F. Maikawa Stores Limited.  
With reference to your enquiries regarding the above.

Operations are still being carried on although as you are aware the decision was reached to discontinue as soon as possible. It is felt, however, that it would not be desirable as once the store until an acceptable offer had been obtained offer would be minimized, the chances of obtaining the best

The reason for the recent delay in endeavouring to dispose of this property is due to the fact that at the present time we are unable to give good title.

This matter has been in the hands of Mr. Wright and I am enclosing a Memorandum which I have obtained from him in regard to this matter.

As soon as this question of the title has been straightened out it is our intention to advertise and endeavour to dispose of this business as a going concern.

Yours very truly,

*F. G. Shears*

F. G. Shears,  
Director.

FGS/PMH

encl.

*Transmitted with this letter  
Atkinson  
June 1953*

*File*

K. R. [unclear]

NAME Maikawa Stores Ltd.  
No. 18239

STATE OF VICTORIA  
DEPARTMENT OF THE RECEIVED OF JUSTICE  
KAWA  
RECEIVED  
SEP 11 1943  
ATTORNEY GENERAL  
OFFICE  
VICTORIA  
B.C.

Files #219 & 271

MEMORANDUM

September 10th, 1943.

TO: MR. F. G. SHEARS  
FROM: MR. K. W. WRIGHT

Re: T. Matkawa Stores Limited.

All documents relating to the exchange of the property belonging to Matkawa on Alexander Street in return for the property at the rear of the Powell Street store on which the warehouse is situated were sent to the Minister of Justice and returned by the Deputy Minister with instructions to obtain the approval of the Attorney General of British Columbia.

Our application went forward to the Attorney General and Department of the Attorney General, Pitcairn Hogg, Esq., Legislative Counsel, that the Attorney General is opposed to granting such permits as will allow registration of property in name of a person of the Japanese race and so far we have found it impossible to convince the authorities that leave to register should be granted herein.

You will recall that I telephoned Mr. Hogg some weeks ago and advised him of our willingness to attend early in August in order to deal with this and other matters. Mr. Hogg informed us that he would be in Vancouver and call at this office on Monday, July 19th, at 11:00 a.m., but he did not come in. About a week later he phoned to say that he had returned to Victoria earlier than expected and suggested that an interview take place in Victoria. Some time later, we wrote, stating that pressure of work prevented attendance and asked for re-consideration and the early return of the documents.

Following our interview with Mr. Field on Wednesday last, I again wrote to Mr. Hogg and stressed the need for early liquidation and our desire to put the title in order. If we do not hear from him in the course of a few days, I will telephone and arrange an appointment at the earliest possible date. As you know, the Attorney General has been absent from Victoria on holidays and may still be away, but it appears that regardless of the demands upon our time in this office, a personal interview is the only way to bring this to a head.

I have thought of suggesting to Mr. G. W. Moperson that he might interview Mr. Fred Varcoe, the Deputy Minister of Justice in Ottawa, but in view of the fact that the case is already before the Provincial Attorney General, question the wisdom of this shortcut.

It would not be advisable to advertise the business for sale until such time as we are in a position to include all the real property and it is very important that we acquire title to the warehouse lot.

KWW/W

  
K. W. WRIGHT

NAME

Matkawa Stores Ltd.

No.

18239

*Submitted under 215 Act's File  
M. McPherson  
June 1943*

J-26

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
August 3, 1945.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Shears:

Re: T. Maikawa Stores Ltd.

I have just received the New Canada issued Saturday, July 24th and note that P. S. Ross and Sons are still running an advertisement for the above store. I was under the impression that it was being closed.

Yours very truly,

(G. W. McPherson)  
Executive Assistant.

GWMCP/TC.

NAME Maikawa Stores Ltd.  
No. 18239  
*201*

*Handwritten notes:*  
Submitted under the title of  
Attachment  
June 15/43

J-26

Victoria Building,  
7 O'Connor Street,  
Ottawa, Ontario.  
July 20, 1943.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B. C.  
Dear Mr. Shears:

Re: T. Maikawa Stores Limited  
I have your letter of July 14th enclosing  
Order appointing Mr. Field as Liquidator of the above  
company. The Order has been signed by the Deputy  
Custodian and is returned herewith.

Yours very truly,

(G. W. McPherson)  
Executive Assistant.

FG.

NAME Maikawa Stores Ltd.  
No. 18239

*Handwritten notes at top right of envelope flap.*

VIA AIR MAIL

ADDRESS ALL COMMUNICATIONS TO THE OFFICE OF THE CUSTOMSIAN  
PLEASE REFER FILE NO. 219

DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE CUSTOMSIAN

506 Royal Bank Building,  
Vancouver, B.C.  
14th July, 1943.

G. W. McPherson, Esq.,  
Executive Assistant to the  
Secretary of State of Canada,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. McPherson:

Re: T. Matkawa Stores Limited.

Referring to your letter of the 7th instant in which you state that the Custodian concurs in Messrs. P.S. Ross & Sons recommendation to liquidate the business and real property of the above company, we now enclose Order prepared by Mr. Wright appointing Frederick Field as Liquidator for signature by the Deputy Custodian.

Yours very truly,

*F. G. Shears*  
F. G. Shears,  
Director.

FGS/PMH

encl.

NAME

*Matkawa Stores Ltd.*

No.

*18239*

*2041*

*Submitted with Mr. McPherson  
Attended  
June 1945*

J-26

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
July 7, 1945.

F. G. Shears, Esq.,  
Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Shears:

Re: T. Malkewa Stores Limited

I have your letter of June 29th, with enclosures.

P. S. Ross & Sons' report has been considered by the Custodian and he concurs in their recommendation that the business and building be liquidated. The liquidation should be carried out by Mr. Field as liquidator disposing of the assets rather than of the company. If you will have a Liquidation Order prepared, following the forms now in use, and forward it, I will arrange to have same signed by the Secretary of State.

Yours very truly,

(G. W. McPherson)  
Executive Assistant.

GWMCP/FC.

NAME

*Malkewa Stores Ltd.*

No.

*18239*

*2011*

*Handwritten notes at top of page, partially obscured.*

ADDRESS ALL  
CORRESPONDENCE  
TO THE  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO  
FILE NO. 219

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
29th June, 1943.

G.W. McPherson, Esq.,  
Executive Assistant to the  
Secretary of State of Canada,  
Office of the Custodian,  
Victoria Building,  
Ottawa, Ont.

Dear Mr. McPherson:

Re: T. Matkawa Stores Limited.

I am enclosing herein copy of Messrs. P.S. Ross  
& Sons' Report on the control of the above as at 17th June  
1943.

I think it was agreed that as the operation of  
this business was ceasing to be profitable we should with-  
draw these operations.

I am enclosing copy of my letter to Messrs. P.S.  
Ross & Sons and you will note my remarks in the last para-  
graph and let me have your opinion in due course.

Yours truly,

*F.G. Shears*

F. G. Shears,  
Acting Director.

*M. McPherson*

*July 6/43*

*Discussion with Custodian re  
concern in re non realization*

FGS/PMH

*of liquidation.*

*F.G.S.*

*etc.*

encl.

NAME

*Matkawa Stores Ltd.*

No.

*18239*

*Vol I*



C  
O  
P  
Y

219

Your File 295-138

Messrs. P. S. Ross & Sons,  
411 Royal Bank Building,  
Vancouver, B. C.

Dear Sirs:

506 Royal Bank Building,  
Vancouver, B. C.  
26th June, 1963.

Re: T. Matkawa Stores Limited.

This will acknowledge your letter of the 24th instant enclosing two copies of your Report on the control of the above company.

The recommendations which you make are in line with discussions which we have had with Mr. Field in regard to the continuance of the operations of this company.

It would appear that with the necessity of purchasing some new lines of stock with the ultimate object of reducing the total inventory, that the prospects of any material profits would be remote, and we are in agreement with your conclusions that time has arrived to withdraw from these operations.

We note your recommendation as to the desirability of the disposition while still running as an operating business and we note also that you recommend the sale of the building.

I may be wrong but I have an idea that Mr. McPherson was not quite in favour of the disposition of this real estate at the present time and for this reason I am forwarding your Report and will not give you authority to proceed as you suggest until I have Mr. McPherson's reply.

Yours truly,

F. G. Shears,  
Acting Director.

FGS/PMH

NAME

Matkawa Stores Ltd.

No.

18239

*Transmitted with this file  
A. W. McPherson  
June 15/43*

J-26

Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.  
April 15, 1943.

F. G. Shears, Esq.,  
Acting Director,  
Office of the Custodian,  
506 Royal Bank Bldg.,  
Vancouver, B. C.

Dear Mr. Shears:

Re: T. Matkawa Stores Limited

I have your letter of April 14th and wish to advise that the Custodian approves of Messrs. P. S. Ross & Sons investing \$10,000. out of surplus funds belonging to the above company in Victory Bonds, in the forthcoming campaign.

Yours very truly,

GWM:CP/FC.

(G. W. McPherson)  
Executive Assistant.

NAME

*Matkawa Stores Ltd.*

No.

*18239*

*4081*

Submitted with this file  
Atkinson  
Jan 1943

VIA AIR MAIL

ADDRESS ALL  
CORRESPONDENCE  
TO THE  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO  
FILE No. 219

DEPARTMENT OF THE SECRETARY OF STATE  
OFFICE OF THE CUSTODIAN

506 Royal Bank Building,  
Vancouver, B.C.  
14th April, 1943.

G.W. McPherson, Esq.,  
Executive Assistant to the  
Secretary of State of Canada,  
Victoria Building,  
Ottawa, Ontario.

Dear Mr. McPherson:

Re: F. Malkawa Stores Limited.

Messrs. P.S. Ross & Sons are asking whether we  
will give our approval to their recommendation to purchase  
\$10,000.00 out of surplus funds of the above company in this  
month's Victory Loan.

Will you please advise us if it will be in order  
for this to be approved.

Yours very truly,

F. G. Shears,  
Acting Director.

FGS/PMH

No. 18239  
2041

NAME Malkawa Stores Ltd.

*Submitted with this file  
Attachment  
Jan 1943*

Memorandum regarding discussion of the affairs of  
P. Malkawa Stores Limited  
held on Tuesday, the 23rd March, 1943.

PRESENT:

Mr. G. W. McPherson  
Mr. F. G. Shears  
Mr. K. W. Wright  
Messrs. Frederick Field  
and R. F. Wray

Authorized Deputy of the  
Secretary of State  
Acting Director  
Counsel  
Representing P. S. Ross  
& Sons

The Controllers reported that the store was operating at only a very small loss. In view of the fact that only this week had announcement been made of the new policy of the Custodian to dispose of all Japanese assets, it was felt advisable to defer the taking of any drastic action in connection with this public to become thoroughly impressed with the effect of the new policy, a condition might then be favourable to offering the business for sale as a going concern.

In the meantime, Messrs. P. S. Ross & Sons are to keep in constant touch with Mr. Shears as to the progress of the business.

NAME

*Malkawa Stores Ltd.*

No.

*18239*

*Vol I*

*Submitted with Mr. Tolson file  
Attorney  
1/15/43*

File No. 219

December 21st, 1942.

MEMORANDUM

Re: T. Maikewa Stores Limited

The company is operating apparently at a small margin of profit, but Mr. Field feels that we should allow it to continue to operate for approximately six months and see what the position is at the end of that time.

The position of the store, as far as business is concerned, will no doubt depend upon the rehabilitation of the Powell Street area.

Insofar as Maikewa Junior's account is concerned, he should be asked to prove the source of the funds. I know he has already been asked to do this and he stated that he made it gambling, but the income tax people might be interested and investigate it for us. In the meantime the account should be blocked. He has already received \$5,000.00 and this should carry him through the winter.

GMM:GP:HW.

NAME

*Maikewa Stores Ltd.*

No.

*18239*

*1041*

*Handled with this file  
 Attached  
 1/15/43*

FILE No. 18239

AGENTS' NAME	Paid Form C	Recovered Recorded	Withdrawn	Action Required	Action Taken
FEES					
CLAIMS:					
COMPANIES:	Commercial Holding Where	Present Position			
DEPOT ACCTS:					
DOCUMENTS:	On file	In Safe Keeping	Released		
ESTATES and TRUSTS:	Enemy	Enemy Beneficiary	Vested		
FINANCIAL or COMTL ACCTS:	Form "A"	Recorded	Collected Released Other		
FOREIGN CUSTODIANS:	British	American			
INSURANCE: Life	Form D	Recorded	Released		
INTERNEES: Fire	Endorsed	Recorded	Released		
PATENTS:	Real Estate	Personal Property	Released		
REAL ESTATE:	Marks	Copyrights	Royalties Paid		
SECURITIES:	Form A	Vested	Released		
MISCELLANEOUS:	Recorded Form B	Registered Released	Dividends Paid		

*This matter is being handled by our Vancouver office.*

REMARKS:

RECORDED BY COMPTROLLER

EXAMINED BY

*[Signature]*

DATE

DATE 19-9-44

NAME Maikawa, J. Stone Ltd.  
 No. 18239

*Submitted with this file  
Attended  
Pawson*

18239, HFG/C  
Debts and Customs Section.

Victoria Bldg., 7 O'Connor St.,  
Ottawa, August 6th, 1942.

For Attention of Mr. Frederick Field.

Dear Mr. Field, -

I have received your letter of the 13th ultimo referring to my Circular Letter of May 19th and reminder of the 9th ultimo.

A large number of these Circulars have been going out daily and the fact that one was addressed to T. Maikawa Stores Limited evidently slipped my notice, otherwise, I would not have signed it. I am, of course, aware of the fact that this company is under your control and you will, no doubt, remember that while I was in Vancouver, I visited the store with you. Please be good enough to ignore these letters.

Bob Wray.

With kindest regards to yourself and

Yours very truly,

(H. P. Gardner)  
For Assistant Deputy Custodian.

P. S. Ross & Sons,  
Royal Bank Building,  
Vancouver, B.C.

NAME

*Maikawa Stores Ltd.*

No.

*18239*

*cat 1*

*Transmitted with the file  
attached  
P. S. Ross & Sons*

ESTABLISHED 1858

MAN. GEN. J. G. ROSS, C.M.G.  
J. W. ROSS, L.L.B.  
S. R. CAMPBELL  
W. L. GASTNER  
G. M. HAWTHORN  
H. I. ROSS  
D. M. SMITH  
S. B. HOULT  
R. B. PECKHAM  
H. S. HANCOCK  
F. E. H. GATES  
P. A. ROSS  
D. G. HARRIS

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS  
MONTREAL TORONTO WINNIPEG  
CALGARY VANCOUVER

CABLE ADDRESS PHILROSS

ROYAL BANK BUILDING  
--MONTREAL--  
OFFICE BOFCHE  
VANCOUVER, B.C.  
RECEIVED  
JUL 20 1942  
PASS TO  
TRAINING ID  
AND U BY  
FILE

July 13, 1942.

H. P. Gardner, Esq.,  
Dept. of the Secretary of State,  
Office of the Custodian,  
Victoria Building,  
70 Connor Street,  
Ottawa, Ontario.

Dear Sir:

Re: T. Malkawa Stores Limited

As you are no doubt aware, the above Company is under our control pursuant to an order of Mr. G. W. McPherson, the Authorized Deputy of the Secretary of State and/or Custodian.

Your letter of July the 9th requesting a report on accounts owing to companies or persons resident in Japan or in occupied territory, has been referred to us.

The enemy debt in this Company has been reported to Mr. McPherson, and consists of \$23,284.71 and it is expected this sum will be paid in the near future.

Yours faithfully,

*P. S. Ross*

*Japan*

*18239*

NAME

*Malkawa Stores Ltd.*

No.

*18239*



*Forwarded with the file.  
Attention  
paw 10/23*

Debts and Customs Section,  
RMR/MS,  
Victoria Building, 7 O'Connor Street,  
Ottawa, Ontario, July 9th, 1942.

Dear Sirs:-

Your attention is directed to my letter of May 19th, advising you that any accounts owing by you to companies or persons in Japan or Japanese occupied territory should be reported to this office.

No reply has been received from you to date. Please be good enough to let me hear from you by return of mail.

Yours truly,

H. P. GARDNER,  
for Assistant Deputy Custodian.

Messrs. T. Malkawa Stores Ltd.,  
369 Powell Street,  
VANCOUVER, B.C.

NAME

*Malkawa Stores Ltd.*

No.

*18239*

*Handled with Mr. H. J. ...  
Atkinson  
June 1942*

Debts and Customs Section

PMR/B.

Victoria Building,  
7 O'Connor Street, Ottawa, Ont.,  
May 19th, 1942.

Dear Sir:

I have to advise you that the provisions of the Consolidated Regulations Respecting Trading with the Enemy (1939) have been extended to and are deemed to apply to Japan (including Karafuto), Korea, Manchuria, Kwangtung Leased Territory, Formosa, Japanese Mandated Islands, Japanese occupied China (including the whole of the Chinese Coast Line), Indo-China, International and French Concessions at Shanghai, and any other territory occupied by Japan.

The above mentioned territories now come under the operation of these Regulations and require that you immediately report any property, right or interest that the Custodian that you may be holding or managing for persons residing in the above territories, and Section 29 of the Regulations requires that you immediately report and pay to the Custodian all debts owing by you to firms or persons residing or operating therein.

Accounts payable in Japanese yen must be converted at the fixed rate of .2604. If, however, they are payable in United States funds or Sterling, the Custodian requires that they be paid in those currencies.

From information already received, you may have property to report and I, therefore, enclose Forms "A", "B" and "C" to enable you to make your report and payment. Should you require further forms, they will be forwarded upon application.

NAME

*Maikawa, 1 Stone Bldg.*

No.

*18239*

*Forwarded with Mr. H. P. Gardner  
Attention  
Jan 15/43*

- 2 -  
Payment must be made within thirty days  
from the date of the declaration of war on Japan, Dec-  
ember 7th, 1941, otherwise interest at the rate of 5%  
per annum must be added.

A prompt reply will be appreciated.  
Yours very truly,

( H. P. Gardner )  
For Assistant Deputy Custodian

Messrs. T. Maikawa Stores Ltd.,  
369 Powell St.,  
Vancouver, B.C.

MG

NAME *Maikawa Stores Ltd.*  
No. *18239*

*Transmitted with this file  
Admin  
18239*

18239.  
Administration.  
AHM/C

Victoria Bldg., 7 O'Connor St.,  
Ottawa, March 26th, 1942.

Dear Sirs,-

Re: T. Malkawa Stores Limited.

I wish to thank you for your letter of March 15th, advising the position of the account of the Sterling Clothing Company limited with the above company, and I may state that I have since heard from the company's solicitors in Montreal which would indicate that the previous misunderstanding has been satisfactorily explained.

Yours very truly,

(A. H. Mathieu)  
Assistant Deputy Custodian.

P. S. Ross & Sons,  
Chartered Accountants,  
Royal Bank Building,  
Vancouver, B.C.

18239

*Completed*

NAME

*Malkawa Stores Ltd.*

No.

*18239*

J. M. ROSS, GEN. MGR. J. G. ROSS, C.M.C.  
 W. B. CAMPBELL  
 R. E. GARDNER  
 D. M. HAWTHORN  
 H. I. ROSS  
 G. M. SMITH  
 G. E. HOULT  
 W. B. REICHMAN  
 H. S. HARRINGTON  
 F. E. H. GAYNE  
 F. A. COSS  
 G. D. HARRIS

**P. S. ROSS & SONS**  
 CHARTERED ACCOUNTANTS  
 MONTREAL  
 CALGARY TORONTO WINNIPEG  
 VANCOUVER

ROYAL BANK BUILDING  
 110-1120 BROADWAY STREET  
**MONTREAL, Que.**  
 Vancouver, B. C.

CABLE ADDRESS: PHILROSS

13th March, 1942.

*Arch Mail*

Mr. A. H. Mathieu,  
 Assistant Deputy Custodian,  
 7 O'Connor Street, Ottawa.  
 Dear Sir:

OFFICE OF THE  
 CUSTODIAN  
 RECEIVED  
 MAR 16 1942  
 PAID TO  
 TRANSFER TO  
 ANSWER BY  
 FILE

Re: P. Malkewa Stores Limited.

We would acknowledge your letter of March 11th and would advise you that the position limited, with the above company at the present moment is as follows:

Open Account	
Drafts Accepted	\$1,062.57
Due April 4th, 1942.	293.17
May 4th, 1942.	293.16
Draft due	1,648.90
March 4th, 1942.	323.72
Paid	<u>\$1,972.62</u>

If there is any further information you require please advise us.

Yours faithfully,  
*P. S. Ross & Sons*

*18239*

NAME

*Malkewa Stores Ltd.*

No.

*18239*

*Transmitted with this file  
Attention  
18239*

*Kenneth A. Gousser  
Barrister & Solicitor*

*Commerce Exchange Building  
276 St James Street W.  
Toronto*

PLATEAU BARRIÈRE

March 13th, 1942

Mr. A.H. Mathieu,  
Assistant Deputy Custodian,  
Office of Custodian,  
70 Connor St.,  
Ottawa, Ontario

Re: File 18239 - Administration  
T. Maikawa Stores Limited

OFFICE OF THE  
CUSTODIAN  
RECEIVED  
MAR 14 1942  
PASS TO  
TRANSFER TO  
AND BY  
FILE

Dear Mr. Mathieu:

Please accept my thanks for your letter of March 11th. My clients have already received a communication from Messrs. P.S. Ross & Sons, Vancouver, which had been refused, and the first draft which was due has been paid, there is no reason why I should worry you further in connection therewith, unless there is some future default.

Apparently P.S. Ross & Sons are somewhat disturbed by my letter, but neither I nor my client knew of the exact status of the Custodian in this matter and I felt it was fair to communicate with you in that regard.

Thanking you, I remain,

Yours very truly

*Kenneth A. Gousser*

*file*

*18239*

MG:BGS.

NAME

*Maikawa Stores Ltd.*

No.

*18239*

18239  
Administration  
AHM/G

Victoria Bldg., 7 O'Connor Street,  
Ottawa, March 11th, 1942.

Dear Sirs,--

Re: T. Malkawa Stores Limited.

I am in receipt of your letters of March 5th and 6th, enclosing copies of correspondence in the above matter.

I have also received a letter from Norman N. Genser, dated March 3rd, on behalf of his clients, the Sterling Clothing Co. Ltd. I will reply to the Solicitor along the lines of your letter to the Sterling Clothing Co. Ltd., but in the meantime will you please confirm if the amount stated to be due by T. Malkawa Stores Limited, i.e., \$1,972.63 is correct according to the records of the company.

Yours very truly,

(A. H. Mathieu)  
Assistant Deputy Custodian.

P. S. Ross, & Sons,  
Royal Bank Building,  
Vancouver, B.C.

NAME

Malkawa Stores Ltd.

No.

18239

18239  
Administration  
AHM/G

Victoria Bldg., 7 O'Connor Street,  
Ottawa, March 11th, 1942.

Dear Sir, -

Re: T. Matkawa Stores Limited,  
Vancouver, B.C.

I am in receipt of your letter of March 3rd, and have since received a report from the Controllers appointed by the Custodian at Vancouver, as well as copies of correspondence exchanged with your clients the Sterling Clothing Co. Ltd., from which it would appear that there is no difficulty whatever. Apparently the goods that were shipped by your clients were accepted by the Japanese company in Vancouver, and no restrictions have been placed on the controllers in the normal operations of the business, particularly in the matter of paying the Company's accounts as they become due.

I have no doubt that your clients are now satisfied that their account against the above company will be paid in due course, but in the meantime I have asked the Controllers to verify the amount mentioned in your letter to see if it is in accordance with the items on the books of the company in Vancouver.

Yours very truly,

(A. H. Mathieu)  
Assistant Deputy Custodian.

Norman N. Genser, Esq.,  
Barrister & Solicitor,  
276 St. James Street, W.,  
Montreal, P.Q.

NAME

Matkawa Stores Ltd.

No.

18239



*Transmitted with this file  
Atkinson  
18239*

*18239*

**MONTREAL**  
TOMONTO  
VANCOUVER  
CHARTERED ACCOUNTANTS, TRUSTEES & LIQUIDATORS

ESTABLISHED 1938

CHARTERED ACCOUNTANTS, TRUSTEES & LIQUIDATORS

ROYAL BANK BUILDING  
3707 - 14th Avenue West  
VANCOUVER, B. C.

MONTEAL - Que.  
VANCOUVER, B. C.

BRIG GEN JAMES G. ROSS  
A. F. G. ROSS, C.A., F.C.A. (CAN)  
JOHN W. ROSS, (CAN), F.R.A.A. (1941)  
GORDON W. ROSS, C.A., F.C.A. (1941)  
S.M. CAMPBELL, C.A.  
B. B. GUY, C.A.  
B. B. GUY, C.A.  
W. L. GATEHOUSE, C.A.  
H. S. HAYTHORN, C.A.  
F. E. H. GATES, C.A.  
D. M. HAYTHORN, C.A.  
IAN A. ROSS, C.A.

**P. S. Ross & Sons**  
CHARTERED ACCOUNTANTS, TRUSTEES & LIQUIDATORS

ROYAL BANK BUILDING  
3707 - 14th Avenue West  
VANCOUVER, B. C.

March 6th, 1942.

Mr. A. H. Mathieu,  
Assistant Deputy Custodian,  
Ottawa, Ontario.

Dear Sir:

Re: T. Walkawa Stores Limited.

In order that you should receive particulars as covered in the attached correspondence it was inadvertently sent unsigned, in a rush to reach yesterday's airmail.

Yours faithfully,  
*A. J. Ross*

OFFICE OF THE  
CUSTODIAN  
RECEIVED  
MAR 10 1942  
PASS TO...  
TRANSFER TO...  
ANS'D BY...  
FILE

NAME *Walkawa Stores Ltd.*  
No. *18239*

*Forwarded with this file  
Attention  
p. 10/12/43*

Vancouver, B. C.  
5th March, 1942

Mr. A. H. Mathieu,  
Assistant Deputy Custodian,  
Ottawa, Ontario.  
Dear Sir:

Re: T. Makewa Stores Limited.

We have received from the above company copies of correspondence that have been forwarded to you by the Solicitor of the Sterling Clothing Company Limited, of Montreal.

We attach hereto a copy of a letter we have written to the Sterling Clothing Company, which should inform you of all the particulars in this matter.

Yours faithfully,

*A. J. Anderson.*

NAME

*Makewa Stores Ltd.*

No.

*18239*

*Transmitted with this file  
A. Mathieu  
Jan 15/42*

Vancouver, B. C.

5th March, 1942.

Sterling Clothing Company Limited,  
961 Inspector Street,  
Montreal, Canada.

Dear Sirs:

Re: T. Matkawa Stores Limited.

We have received correspondence from your Solicitor, Norman N. Genser addressed to the above company, and enclosing a copy of a letter he has written to Mr. A. H. Mathieu, Assistant Deputy Custodian in Ottawa. In our opinion the correspondence to the company and Mr. Mathieu was entirely unwarranted in view of the following circumstances.

At the time of our appointment as Controllers of the above company, we were of the opinion that the merchandise inventory was greatly in excess of the company's requirements, and in view of the possibility of the Japanese being required to leave the district, we considered being it was to the interest of the Japanese being custodian's equity in the business to cancel if possible, the merchandise ordered for spring delivery.

Pursuant thereto, you were requested to cancel your spring order, but in view of the fact that it had already been cut and shipped, the company accepted delivery of same. We have not restricted the normal operation of this business, particularly in the matter of paying the company's accounts as they become due. Therefore, unless there is any sudden change in the present situation your drafts should be taken care of in the normal course of the company's business.

Yours faithfully,

*A. H. Mathieu*

NAME

*Matkawa Stores Ltd.*

NO.

*18239*



*Transmitted with Mr. Mathieu's file.  
A. H. Mathieu  
Jan 15/42*

Sterling Clothing Company Limited,  
961 Inspector Street,  
Montreal, Canada.

5th March, 1942.

-----  
Vancouver, B. C.  
-----

Dear Sirs:

Re: T. Malkawa Stores Limited.

We have received correspondence from your Solicitor, Norman W. Genser addressed to the above company, and enclosing a copy of a letter he has written to Mr. A. H. Mathieu, Assistant Deputy Custodian in Ottawa. In our opinion the correspondence to the company and Mr. Mathieu the entirely unwarranted in view of the following circumstances.

At the time of our appointment as Controllers of the above company, we were of the opinion that the merchandise inventory was greatly in excess of the company's requirements, and in view of the possibility of the Japanese being required to leave the district, we considered being it was to the interest of the Japanese being required to leave the district, we considered that custodian's equity in the business to cancel if possible, the merchandise ordered for spring delivery.

Pursuant thereto, you were requested to cancel your spring order, but in view of the fact that it had already been cut and shipped, the company accepted delivery of same. We have not restricted the normal operation of this business, particularly in the matter of paying the company's accounts as they become due. Therefore, unless there is any sudden change in the present situation your drafts should be taken care of in the normal course of the company's business.

Yours faithfully,

NAME

*Malkawa Stores Ltd.*

18239

*Transmitted with this file  
Bills  
Jan 15/42*

*Norman A. Dawson  
Barrister & Solicitor*

*Commerce Exchange Building  
276 St James Street W  
Montreal*

PLATEAU 044-0442

March 3rd, 1942

Official Custodian of  
Enemy Alien Property,  
Ottawa, Ontario

Attn: Mr. Mathieu  
Re: T. MAIKAWA STORES LTD.  
Vancouver, B.C.

Dear Mr. Mathieu:

I have been consulted by Sterling Clothing Co. Ltd., concerning the abovementioned firm, who have for some years been buying merchandise from my clients. This company did place an order for Spring 1942 with the Sterling Clothing Co. Ltd., and on January 15th, 1942 my clients advised T. Maikawa Stores Ltd. that in view of the news reports concerning enemy alien property it was suggested that the balance of the order not yet in work or shipped be cancelled.

On the 17th day of January the Maikawa firm replied requesting cancellation of some part of the shipment but insisting upon the balance being made and shipped. This letter was confirmed by a letter from my clients dated January 20th, and, by a letter dated February 4th the Maikawa firm advised my clients, in spite of their letter of January 17th, to cancel all balances of this order.

This my clients could not do in whole because in accordance with the letter of January 17th they proceeded to manufacture the goods ordered and insofar as they were able, that is, goods not cut or in the process of manufacture, the order was cancelled but a shipment had already gone forward. By a notice from the Canadian National Railways dated February 19th the T. Maikawa Stores Ltd. advised according to the said notice "Consignee's business now under care of Custodian of Japanese properties and by phone party at store

OFFICE OF THE  
CUSTODIAN  
RECEIVED  
MAR 5 1942  
PASS TO  
TRANSFER TO  
ANSWER BY  
FILE

18239

NAME

*Maikawa Stores Ltd.*

18239

Handled with the file.  
Attention  
Jan 15/43

Norman V. Gousser  
Director & Selector

-2-

Business Exchange Building  
276 St. James Street W.  
Montreal

PLATEAU 844-8442

States does not know where the goods will be picked up or not, Custodian will have to handle".

These people are indebted to my clients in the total sum of \$1972.63, having already received accepted drafts totalling \$910.06. The goods which have now apparently been refused are valued in the sum of \$1062.57.

It is extremely important that we know what disposition, if any, the Custodian is making in this matter and I look for your very early reply.

It is important for me to state now that the goods which have been shipped and that are made up were specially designed goods for the abovementioned Company's restricted trade and would be most difficult to dispose of elsewhere.

Awaiting your early reply, I remain,

Yours truly,  
*Norman Gousser*

NG:BGS.

1062576  
1091063  
197

NAME

McAlear, J. Stone Ltd.

18239

*Handled with this file  
A. H. Mathieu  
January 2, 1942*

VIA AIR MAIL

ADDRESS ALL  
COMMUNICATIONS  
TO THE  
CUSTOMER'S OFFICE  
PLEASE REFER  
TO 219  
FILE NO.

DEPARTMENT OF THE SECRETARY OF STATE  
CANADA  
OFFICE OF THE CUSTODIAN

1404 Royal Bank Bldg.,  
Vancouver, B. C.,  
February 2, 1942.

A. H. Mathieu, Esq.,  
Assistant Deputy Custodian,  
701 Connor Street,  
Ottawa, Ontario.

Dear Sir:

Re: T. Melkewa & Company Ltd., Vancouver

I have your letter of January 30th, with enclosure.

The above company is under the control of P. S. Ross and Sons and has been since January 13th. It is substantially enemy owned and has a large enemy debt. P. S. Ross & Sons are carrying on their investigation and control as quickly as possible. I will write direct to the Society Brand Clothes Limited as suggested by you.

Yours truly,

(G. W. McPherson)  
Authorized Deputy of the  
Secretary of State and/or  
Custodian.

GMMCP/FC.

*File*

*Letter received  
from Society Brand Clothes*

NAME

*Melkewa, T. Stone Ltd.*

*18239*



*Forwarded with this file  
Attention  
January 1942*

AIM/M

Victoria Building, 7 O'Connor St.,  
Ottawa, January 30th, 1942.

Dear Mr. McPherson,

Re: T. Matkawa Company Limited  
Vancouver

I enclose herewith copy of a letter received  
from Society Brand Clothes Limited, Montreal, in connection  
with the above company.

I have acknowledged their letter advising that  
a copy was being forwarded to you for attention and they  
would no doubt hear from you in due course.

Yours sincerely,

Assistant Deputy Custodian.

G. W. McPherson, Esq.,  
1409 Royal Bank Bldg.,  
Vancouver, B.C.

NAME

*Matkawa, J. Stone Ltd.*

*18239*

*Transmitted with Mr. H. C. P. B.  
A. Mathieu  
Jan 15/42*

Administration  
ADM/M

Victoria Building, 7 O'Connor St.,  
Ottawa, January 30th, 1942.

Dear Sirs,

I wish to acknowledge receipt of  
your letter of January 25th regarding the firm of  
T. Malkawa Company Limited, Vancouver, B.C.

This Company is being investigated at  
our Vancouver office and I am referring your letter  
to them today, and no doubt you will hear from that  
office shortly.

Yours very truly,

(A. H. Mathieu)  
Assistant Deputy Custodian.  
Society Brand Clothes, Limited,  
400 Atlantic Ave.,  
Montreal, P.Q.

NAME

*Malkawa, T. Store Ltd.*

18239

*Transmitted with Mr. King's file.  
Attention  
January 23, 1942*

CHICAGO 416 S FRANKLIN  
NEW YORK 200 87 AVENUE

**Society Brand Clothes**  
LIMITED  
400 Atlantic Avenue  
Montreal.

January 23, 1942

1942 JAN 24 AM 9:23

UNDER SECRETARY  
OF STATE

Department of State,  
Ottawa,  
Ont.

Dear Sirs:

We are manufacturers of men's clothing, and during 1941 we were doing business with the firm of T. Matkawa Stores Ltd., Vancouver, B.C., a private British Columbia company chartered September 25, 1940, whose president is Canadian born of Japanese parentage.

In view of the war between this country and Japan, we were wondering whether it is safe to deal with firms whose owners are of Japanese extraction, although in this particular case the President is a native born Canadian, and the personnel, to the best of our knowledge, are naturalized citizens. We might add that the company is believed to be quite solvent, having a paid-in capital of \$79,000.00.

Please let us know what would be the position of creditors of the above company if and when taken over by the Bureau handling alien property. If you have any observations to pass in this respect, we will be glad to hear from you.

Thanking you in anticipation, we are,

Yours very truly,

SOCIETY BRAND CLOTHES LIMITED

*E. Shultz*  
E. Shultz

ES/PG

*J. Van (over)*

*Matkawa Ltd, Vancouver, on Jan 4 which Mr. Shultz has copy of*

*T. Matkawa Co. Ltd. on Mr. Shultz's copy as being under investigation 951.*

THE SOCIETY BRAND LABEL IDENTIFIES THE GENUINE PRODUCT

NAME

*Matkawa, J. Store Ltd.*

18239

F. Malkawa Stores Limited  
Report on Winding-Up  
10th January, 1949

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS

MONTREAL

TORONTO

WINNIPEG

CALGARY

VANCOUVER

ESTABLISHED 1858

CABLE ADDRESS PHILROSS

## P. S. ROSS & SONS

CHARTERED ACCOUNTANTS  
MONTREAL TORONTO WINNIPEG  
CALGARY VANCOUVER

ROYAL BANK BUILDING  
260 ST. JAMES STREET  
MONTREAL, QUE.

10th January, 1949

Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

MAN'GERS: J. S. ROSS, CH. G.  
J. W. BARRIE, G. E. HOLT,  
S. R. CAMPBELL, S. B. REICHMAN,  
J. A. GRANT, H. G. JERICOULT,  
G. L. HARRISON, F. H. OATES,  
G. L. KITCHOUSE, J. A. ROSS,  
L. A. ROSS, H. J. ROSS,  
R. J. ROSS, G. O. HARRIS,  
R. H. SMITH.

Attention: Mr. F. G. Shears, Director

Dear Sir:

Re: T. Malkawa Stores Limited

Under date of 25th October, 1945 we reported to you on the affairs of this company to 30th September. We now wish to report that we have completed the formal liquidation of the company and submit the following statements:

- Exhibit 1 - Balance Sheet as at 30th September, 1945.
- Exhibit 2 - Statement of Cash Receipts and Disbursements for the period 1st January, 1945 to 21st December, 1948.
- Exhibit 3 - Deficit Account for the period 30th September, 1945 to 21st December, 1948.
- Exhibit 4 - Statement Showing Distribution to Shareholders as at 21st December, 1948.

Since the date of our last report we have collected \$342.44 on accounts receivable against which a full reserve for bad debts had been provided.

The investment in Dominion of Canada bonds amounting to \$68,000.00 was turned over to your office on 28th November, 1945 and disposed of by you to your investment account at par. We have calculated the premium on these bonds at the date of sale at \$1,372.50 of which the evacuee share amounted to \$91.13 based on a total of 83 shares out of 1,250 fully paid. In making the final distribution as shown on exhibit 4 this amount was charged to the enemy distribution and credited to the shares of the evacuees.

Office of the Custodian,  
Vancouver, B. C.

- 2 -

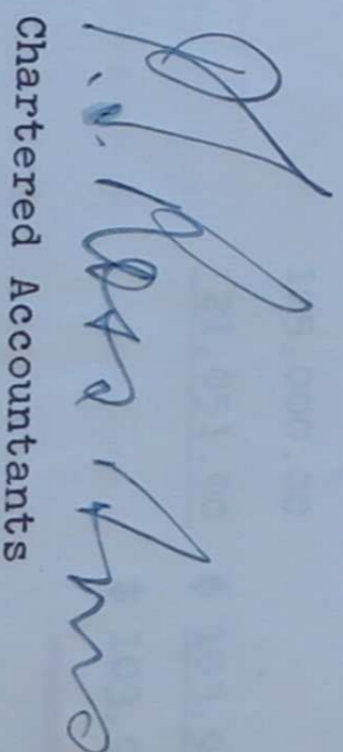
10th January, 1949

The investment in the Farmers Products Distributing Company in the amount of \$100.00 has been written off as uncollectible. This company is under the control of Norris and Baldwin and we would suggest that your office advise them that any distribution made from the funds of this company should be paid to you for the shareholders of T. Malkawa Stores Limited.

We have received clearances from the Workmen's Compensation Board, the Unemployment Insurance Commission and the Department of National Revenue in respect of income and excess profits taxes.

This company was placed in liquidation on 20th January, 1947 in accordance with your order of 17th August, 1946. The final meeting of shareholders was held on 21st December, 1948 after which the required returns were filed with the Registrar of Companies. At the expiration of three months the liquidation of the company should be complete.

We shall be pleased to furnish any additional information you may require relative to the foregoing.

  
Chartered Accountants

T. Matkawa Stores Limited  
Balance Sheet  
as at 30th September, 1945

Exhibit 1

<u>Current</u>	<u>A s s e t s</u>	
Cash - balances on hand and at bankers		767.09
Accounts receivable	5,943.66	
Less: Reserve for doubtful accounts	5,943.66	-
Mortgage receivable		100.00
Dominion of Canada 3% bonds	68,000.00	
Interest accrued thereon	745.00	
		68,745.00
<u>Investments</u>		<u>69,612.09</u>
Farmers Products Distributing Company - 10 shares		100.00
<u>Goodwill</u>		<u>34,236.01</u>
		<u>\$ 103,948.10</u>
<u>L i a b i l i t i e s</u>		
<u>Share capital</u>		
<u>Authorized</u>		
1,500 shares of \$100.00 each	\$ 150,000.00	
<u>Issued and fully paid</u>		
1,250 shares of \$100.00 each		125,000.00
<u>Deficit per exhibit 2</u>		<u>21,051.90</u>
		<u>\$ 103,948.10</u>
		<u>\$ 103,948.10</u>

T. Malkawa Stores Limited  
Statement of Cash Receipts and Disbursements  
For the period 1st January, 1945 to 21st December, 1948

Exhibit 2

<u>Receipts</u>	1/1/1945 to 30/9/1945	1/10/1945 to 21/12/1948	<u>Total</u>
Balance - 1st January, 1945	\$ 1,641.18		1,641.18
Sale of real estate - 369 Powell Street	12,500.00		12,500.00
Payment - McMorland re rent and option	300.00		300.00
Interest on bonds	1,086.76	745.00	1,831.76
Profit on sale of bonds	90.00		90.00
Sale of bonds	2,000.00	68,000.00	70,000.00
Payments and interest re mortgage	159.00	102.25	261.25
Accounts receivable	87.45	342.44	429.89
Sale of merchandise	16.66		16.66
Miscellaneous	78.34		78.34
	<u>\$ 17,881.05</u>	<u>69,268.03</u>	<u>87,149.08</u>

Disbursements

T. Malkawa - Principal	\$ 11,500.00	11,500.00
Insurance - Interest	3,297.87	3,297.87
Commission re sale of building	181.10	181.10
D. McLaren - adjustments	625.00	625.00
Legal expenses	46.35	46.35
Advertising re creditors	111.20	105.95
Safekeeping charges - bonds	24.74	24.74
Storage of records	70.00	70.00
Registration fees	25.50	135.00
Control and liquidation fees	28.75	28.75
Income tax assessments	1,200.00	1,750.00
Miscellaneous	3.45	312.60
Distribution to shareholders	68,931.57	68,931.57
	<u>\$ 17,113.96</u>	<u>70,035.12</u>
		<u>87,149.08</u>

Balance - 21st December, 1948

Nil



T. Matkawa Stores Limited  
Deficit Account

For the period 30th September, 1945 to 21st December, 1948

Deficit - 30th September, 1945 \$ 21,051.90

Add:

- Legal fees and expenses 105.95
- Storage of records 135.00
- Control and liquidation expenses 550.00
- Income tax assessments 312.60
- Investment written off 100.00
- Goodwill written off 34,236.01

Deduct:

- Bad debts recovered 342.44
- Miscellaneous 80.59

Deficit 21st December, 1948 \$ 56,068.43

R e c o n c i l i a t i o n

Paid up capital \$ 125,000.00

Deduct: Dividend to shareholders 68,931.57

Deficit as above \$ 56,068.43

T. Maikawa Stores Limited  
Statement Showing Distribution to Shareholders  
As at 21st December, 1948

Shareholder	Share		Distribution of Dividend to Shareholders	Premium Adjustment	Final Distribution
	Unpaid	Paid			
Tomekichi Maikawa	1	1,167	\$ 64,354.50	91.13	64,263.37
Tokio Maikawa		80	4,411.62	87.83	4,499.45
Kisaku Hayashi		1	55.15	1.10	56.25
Shigeru Oue	1				
Bungora Maikawa		1	55.15	1.10	56.25
Hane Oue	2	1,250	\$ 68,931.57	1.10	\$ 68,931.57
		1	55.15		56.25
			\$ 68,931.57		\$ 68,931.57

*Read 1/13/44  
Gunn*

F. Malkawa Stores Limited

Report on Liquidation

6th March, 1944

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS

MONTREAL

TORONTO

WINNIPEG

CALGARY

VANCOUVER

MONTREAL  
TORONTO  
VANCOUVER  
CALGARY  
VANCOUVER

380 ST. JAMES STREET  
ROYAL BANK BUILDING  
387 ELECTRIC BUILDING  
387 ELECTRIC BUILDING  
ROYAL BANK BUILDING  
VANCOUVER

ESTABLISHED 1828

CABLE ADDRESS PHILROSS

**P. S. Ross & Sons**  
Chartered Accountants, Trustees & Liquidators

ROYAL BANK BUILDING  
VANCOUVER, B.C.

March 6th, 1944.

MR. G. W. JAMES, G. ROSS,  
A. F. GARDNER, (CAN) F.S.A. (CAN)  
JOHN W. ROSS, (CAN) F.S.A. (CAN)  
GORDON W. SCOTT, C.A.  
S. R. CAMPBELL, C.A.  
S. B. PECKHAM, C.A.  
O. V. E. HOLT, C.A.  
W. C. GATTEHOUSE, C.A.  
W. G. GARDNER, C.A.  
H. S. HAYTHORNE, C.A.  
F. E. H. GATES, C.A.  
JAN A. ROSS, C.A.  
JOHN A. ROSS, C.A.

Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

Attention: Mr. F. G. Shears  
Director

Dear Sirs:

Re: T. Malkawa Stores Limited

Since our report of the 17th June, 1943, covering the affairs of T. Malkawa Stores Limited to the 30th April, 1943, the operations of the company continued under our control until the 20th July, 1943, when you appointed our Mr. Frederick Field controller with the powers of a liquidator. We are now reporting upon the company's affairs for the period ended 29th February, 1944, and attach hereto the following exhibits:-

- Exhibit 1 - Balance Sheet as at 29th February, 1944.
- Exhibit 2 - Profit and Loss Account for the five months ended 29th February, 1944.
- Exhibit 3 - Statement of Cash Receipts and Payments for the period 31st July, 1943, to 29th February, 1944.
- Exhibit 4 - Balance Sheet as at 30th September, 1943.
- Exhibit 5 - Profit and Loss Account for the year ended 30th September, 1943.

Exhibits 4 and 5 covering the operations of the company for the fiscal year ended 30th September, 1943, have been audited by Messrs. Stokes and Peers, Chartered Accountants. The operations for the year showed a net loss of \$565.17, and resulted in a further reduction in merchandise

Office of the Custodian,  
Attention Mr. P. G. Shears

March 6th, 1944.

- 2 -

Inventories of \$6,497.68.

It was decided to defer the matter of advertising for creditors until such time as the store operations are discontinued.

In accordance with our previous recommendations the business was advertised for sale as a going concern on the 22nd October, 1943. A copy of the advertisement is attached as Schedule 1 and was published as follows:

Vancouver Daily Province	- 25th October, 1943
Vancouver Daily Sun	- 25th October, 1943
Vancouver News-Herald	- 25th October, 1943

As a result of this advertisement only one tender was received.

This offer was by the Army & Navy Department Store Limited who tendered the sum of \$700.00 for all fixtures and at the rate of seventy cents on the dollar for the inventory of Canadian merchandise.

At the date of this offer it was estimated that the cost price of the Canadian merchandise was approximately \$25,000.00 so that the offer was in the neighbourhood of \$17,500.00. It was also estimated that the merchandise should have a retail value of upwards of \$32,000.00. We gave this offer considerable thought and it was decided to ask the officials of Messrs. Gault Brothers Limited (a large wholesale drygoods house) to give their opinion as to the adequacy of this offer. Messrs. Gault Brothers Limited were kind enough to have two of their officials make a survey of the stock and gave their opinion that a great deal of the stock should be realizable at not less than ninety cents on the dollar. They also suggested that a closing out sale be initiated and that, with the Christmas season approaching, it should take a relatively short time to realize the outstanding inventory. In this way, they suggested, it should be possible to secure a return considerably in excess of seventy cents on the dollar.

This recommendation by Messrs. Gault Brothers Limited seemed to us to be quite sound and we felt that if we could act quickly enough to take ad-

Office of the Custodian,  
Attention Mr. F. G. Shearns

March 6th, 1944

- 3 -

vantage of the Christmas season it should be possible to carry out a successful sale. On the 8th December, 1943, we accordingly recommended to you that the offer of the Army & Navy Department Store Limited be refused and that a clearance sale be held, to which you gave your assent on the 10th December, 1943.

The sale commenced on the 16th December, 1943, and as a result shows a reduction of the inventory at 29th February, 1944, down to \$6,736.97 a reduction from 30th September, 1943, of \$23,885.24. It is anticipated the sale will be completed by the 30th March, 1944.

We have had the buildings and furniture and fixtures owned by the company appraised by Mr. D. W. Reeve of Messrs. Johnson, Reeve and Watson and Messrs. Thompson and Binnington Limited respectively. The appraisals are as follows:

369 Powell Street (If unoccupied)	\$10/11,000.00
(If revenue producing)	15/16,000.00
354 Alexander Street	\$800.00 to \$1,000.00
Furniture and fixtures	\$2,811.50

On the 21st February, 1944, we received an offer of \$1,000.00 for the property known as 354 Alexander Street and recommended the acceptance, receiving your assent thereto on 25th February, 1944. The documents covering the transfer of this property are now being registered by Mr. A. H. Young, the company's solicitor.

We have had a number of inquiries for the store property known as 369 Powell Street and are hopeful that as a result we may receive an offer to purchase. The appraisal of this property by Mr. Reeve gives a valuation of \$15/16,000.00 if being used for store purposes and only \$10/11,000.00 if unoccupied.

We shall be glad to furnish any additional information that

Office of the Custodian,  
 Attention Mr. F. G. Shears

March 6th, 1944

may be required in connection with the foregoing.

Yours faithfully,

*F. G. Shears*  
 Chartered Accountants

21,377.46 <u>1,344.97</u> 22,722.43	2,127.28 <u>1,356.71</u> 3,483.99	19,245.12 <u>2,676.46</u> 21,921.58	6,750.00 <u>20,449.78</u> 27,199.78	260.00 <u>24,225.02</u> 24,485.02
2,050.33 <u>61.46</u> 2,111.79	11,593.00 <u>2,502.94</u> 14,095.94	189,000.00 <u>4,971.10</u> 193,971.10	155,600.00 <u>8,296,282.99</u> 8,451,882.99	

T. Walkawa Stores Limited

Balance Sheet as at 29th February, 1944

Exhibit 1.

<u>A s s e t s</u>		
Current		
Cash - Balances on hand and at bankers		29,511.39
Accounts Receivable		502.30
Less reserve for doubtful accounts		6,736.97
Merchandise on hand - estimated		36,367.50
Dominion of Canada - 3% bonds		73,118.16
Interest accrued thereon		
		<u>73,118.16</u>
Fixed Assets		
Buildings	21,339.40	19,152.12
Fixtures	3,844.97	2,576.66
	<u>25,184.37</u>	<u>21,728.78</u>
Real estate		6,750.00
		<u>28,478.78</u>
Investment		
Farmers' Products Distributing Co. 10 shares		100.00
Deferred Charges		240.00
Prepaid Insurance		34,236.01
Goodwill		<u>136,172.95</u>
		<u>136,172.95</u>
	<u>L i a b i l i t i e s</u>	
Current		
Accounts Payable		2,088.33
Customers deposits re mail orders		61.46
Suspense account		11.36
		<u>2,161.15</u>
Loan Account - T. Walkawa		11,500.00
Interest accrued		2,502.98
		<u>14,002.98</u>
Share capital		
Authorized	\$ 150,000.00	
Divided into 1,500 shares of \$100.00 each		125,000.00
Issued and fully paid		4,991.18
1,250 shares		<u>120,008.82</u>
Deficit per Exhibit 2		<u><u>\$ 136,172.95</u></u>



Exhibit 2.

T. Walkawa Stores Limited

Profit and Loss Account for the five months

ended 29th February, 1944

34,561.45

Sales  
Deduct - Cost of sales  
Inventory as at 1st October, 1943  
Purchases

30,622.21  
5,492.00

36,114.21  
6,736.97

29,377.24  
5,184.21

Less inventory 29th February, 1944 (est.)  
Gross Trading Profit  
Rentals received  
Cash discounts  
Interest on bonds

80.50  
73.27  
450.00

603.77  
5,787.98

Deduct - Selling and Administrative expenses

Wages  
Light, heat, power and water  
Municipal taxes and licences  
Interest and exchange  
Advertising  
Insurance  
Repairs  
Store and office supplies  
Telephone and telegraph  
Postage and excise stamps  
Unemployment insurance  
Miscellaneous  
Depreciation - Buildings  
Fixtures

3,564.51  
247.62  
529.95  
205.82  
1,308.44  
228.28  
5.80  
151.56  
39.94  
122.50  
31.93  
37.85  
343.82  
166.68

6,984.70  
\$ 1,196.72

Net loss for the five months ended 29th February, 1944

Surplus

Net loss for five months ended 29th February, 1944

1,196.72

Loss on sale of 354 Alexander Street

4,067.92

Deduct - balance at credit 30th September, 1943

5,264.64

Deficit to 29th February, 1944

273.46  
\$ 4,991.18

Exhibit 3.

T. Malkawa Stores Limited

Cash Receipts and Payments for the period

31st July, 1943 to 29th February, 1944

Receipts	
Balance on hand 31st July, 1943	8,807.43
Merchandise sales	41,321.69
Discounts received	91.92
Rents received	80.50
Interest on bonds	465.00
Interest sundry	33.66
War Savings Certificates	44.00
Purser account mortgage	100.00
Sale of 354 Alexander Street	1,000.00
Sale of furniture and fixtures	155.50
	<u>43,292.27</u>
	52,099.70

Payments	
Merchandise purchases	9,022.77
Wages	3,790.27
Advertising	953.44
Insurance	271.58
Light, heat, power and water	470.98
Postage	160.52
Repairs to building	5.80
Store supplies	105.94
Telephone and telegraph	56.17
Unemployment insurance	42.17
Licence 1944	75.00
Legal fees	405.45
Audit fees	200.00
Miscellaneous	187.25
	<u>15,747.34</u>
Accounts payable	361.80
Income taxes	1,479.17
Victory Loan bonds	5,000.00
	<u>22,588.31</u>
	29,511.39

Balance on hand 29th February, 1944

₱ 29,511.39

Exhibit 4.

	<u>Assets</u>
<u>Current Assets</u>	
Cash on hand	2,922.83
Cash in bank	107.41
Accounts Receivable	11.36
<u>Less Reserve for Doubtful</u>	
<u>Accounts</u>	3,041.60
Merchandise on hand	
Dominion of Canada - 3% Bonds	11,500.00
Interest accrued thereon	2,262.98
<u>Total Current Assets</u>	13,762.98
<u>Fixed Assets</u>	
<u>Buildings</u>	
<u>Less Reserve for Depreciation</u>	125,000.00
Furniture & Fixtures	
<u>Less Reserve for Depreciation</u>	273.46
Real Estate	125,273.46
<u>Investment</u>	
Farmers' Products Distributing Co. I	
<u>Deferred Charges &amp; Prepaid Expenses</u>	
Insurance Unexpired	
Licences & Taxes Prepaid	
Unemployment Insurance stamps	
<u>Goodwill</u>	142,078.04

3,041.60

11,500.00  
2,262.98  
13,762.98

2,922.83  
107.41  
11.36

125,000.00  
273.46  
125,273.46

142,078.04

Liabilities

T. Maikawa Stores Limited  
Balance Sheet as at 30th September, 1943

Current Liabilities  
Accounts Payable - Trade 107.41  
Customers Deposits re Mail Orders 11.36  
Suspense Account 2,922.83

Total Current Liabilities 3,041.60

Loan Account - T. Maikawa 11,500.00  
Interest accrued thereon 2,262.98

Share Capital

Authorized \$150,000.00 divided into 1500 shares of \$100.00 each par value  
Subscribed and issued 1250 shares 125,000.00

Surplus as per Exhibit 5 273.46

Assets

Current Assets  
Cash in bank 375.00

Accounts Receivable 6,601.46  
Less Reserve for Doubtful Accounts 6,000.00

Merchandise on hand 30,622.21  
Dominion of Canada - 3% Bonds 31,000.00

Total Current Assets 73,056.84

Fixed Assets  
Buildings 25,039.40  
Less Reserve for Depreciation 2,475.54

Furniture & Fixtures 4,000.47  
Less Reserve for Depreciation 1,101.63

Real Estate 2,898.84

Investment 8,750.00  
Farmers' Products Distributing Co. Ltd. - 10 shares 34,212.70

Deferred Charges & Prepaid Expenses 100.00  
Insurance Unexpired 196.70  
Licenses & Taxes Prepaid 274.95  
Unemployment Insurance stamps .84

Goodwill 472.49

142,078.04

34,236.01

T. Malkawa Stores Limited  
Profit and Loss Statement

Exhibit 5.

For the Year Ended 30th September, 1943

<u>Sales</u>	
<u>Deduct - Cost of Sales</u>	
Inventory as at October 1st, 1942	37,119.89
Purchases	25,245.88
	62,365.77
<u>Less Inventory as at September 30th, 1943</u>	30,622.21
	31,743.56
<u>Gross Trading Profit</u>	10,482.56
Rentals received	91.50
Cash Discounts	163.00
Interest on Bonds	712.50
	11,449.56

Deduct - Selling and Administrative Expenses

Wages	5,762.43
Light, Heat, Power & Water	868.43
Municipal Taxes & Licenses	824.86
Interest & Exchange	569.49
Legal Fees	405.45
Custodian's Fees	850.00
Audit Fees	200.00
Advertising	242.16
Insurance	265.91
Repairs	244.95
Store & Office Supplies	76.93
Telephone & Telegraph	85.23
Postage & Excise stamps	177.71
Unemployment Insurance	64.37
Freight & Cartage	26.06
Miscellaneous	125.53
Depreciation - Buildings	825.18
Fixtures	400.04
	1,225.22

Net Loss for the year ended 30th September, 1943 carried to Surplus \$ 565.17

Balance as at 30th September, 1942 Surplus

Profit on Sale of Autos 2,128.34

2,317.80

Deduct

Income & Excess Profits Taxes 1941 1,479.17

Loss for year ended 30th September, 1943 565.17

2,044.34

Balance being Surplus as at 30th September, 1943, \$ 273.46

as shown in Exhibit 4

T. Malkawa Stores Limited

Schedule 1.

SMALL DEPARTMENT STORE FOR SALE

By virtue of authority given under the Consolidated Regulations respecting Trading with the Enemy (1939) the undersigned Controller offers for sale as a going concern the retail store business located at 369 Powell Street, Vancouver, B. C., owned by T. Malkawa Stores Limited, and calls for tenders for the following assets:

- parcel "A" - Lots 27 and 28, Block 40, D.L. 196, known as 369 Powell Street, Vancouver, B. C., being a two storey concrete and frame store building.
- parcel "B" - Lot 16, Block 40, D.L. 196, known as 354 Alexander Street, Vancouver, B. C., being a brick and frame warehouse building.
- parcel "C" - Stock of Canadian merchandise consisting of men's and women's clothing, drygoods, drugs, china and fancy goods and groceries.
- parcel "D" - Store and office fixtures including desks, typewriters, adding machines, safe and mimeograph machine.

Tenders will be received, on a fixed price basis for parcels "A", "B" and "D" and at a rate on the dollar for Parcel "C", by the undersigned Controller at his office, up to noon (Daylight Saving Time) the 24th day of November, 1943, in each case upon the following terms and conditions:

1. Each tender must be for one of the parcels but a separate tender may be filed for each of several parcels.
2. A certified cheque payable to the order of the Controller for ten percent (10%) of the amount offered must accompany each tender.
3. The envelope enclosing offer should be marked "Tender" and addressed to the undersigned.
4. All real property adjustments will be made at the date of conveyance.
5. Properties will be sold subject to existing leases and encumbrances.
6. The Controller reserves the right to cancel every accepted tender for real property and to refund the deposit at any time prior to delivery by him of the conveyance.
7. No warranty is made as to the quantity or condition of the assets included in parcels "C" and "D".

8. The real properties are offered for sale without any warranty whatsoever by the Controller of location or condition of buildings or improvements. Cheques in respect of unaccepted bids will be returned in due course.

Neither the highest nor any tender will necessarily be accepted. Permission to inspect the buildings, properties and inventories may be arranged by application to the undersigned during office hours any day up to noon on the 22nd day of November, 1943.

Dated at Vancouver, B. C. this 22nd day of October, 1943.

Frederick Field, C.A.,  
Controller,  
T. Maikawa Stores Limited,  
c/o P. S. Ross & Sons,  
411 Royal Bank Building,  
Vancouver, B. C.

T. Malkawa Stores Limited

Report on Liquidation

25th October, 1945

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS

MONTREAL

TORONTO

WINNIPEG

CALGARY

VANCOUVER



MAN'GERS: J. G. ROSS, C.M.G., F.R.S.C. (LOND.)  
 J. W. ROSS, LL.D., F.R.S.C. (LOND.)  
 J. A. GRANT, F.R.S.C. (LOND.)  
 W. L. GATHEHOUSE, F.R.S.C. (LOND.)  
 J. A. ROSS, F.R.S.C. (LOND.)  
 H. I. ROSS, F.R.S.C. (LOND.)  
 O. M. SMITH, F.R.S.C. (LOND.)

MAN'GERS: J. G. ROSS, C.M.G., F.R.S.C. (LOND.)  
 B. B. PECHAN, F.R.S.C. (LOND.)  
 W. G. JERHCOTT, F.R.S.C. (LOND.)  
 F. E. HAVTHORNE, F.R.S.C. (LOND.)  
 J. A. ROSS, F.R.S.C. (LOND.)  
 G. A. COPPEY, F.R.S.C. (LOND.)  
 G. A. HANNA, F.R.S.C. (LOND.)

**P. S. ROSS & SONS**  
 CHARTERED ACCOUNTANTS  
 MONTREAL TORONTO WINNIPEG  
 CALGARY VANCOUVER

ROYAL BANK BUILDING  
 VANCOUVER, B. C.  
 MONTREAL VANCOUVER

Royal Bank Building,  
 Vancouver, B. C.  
 25th October, 1945.

Office of the Custodian,  
 506 Royal Bank Building,  
 Vancouver, B. C.

Attention: Mr. F. G. Shears  
 Director

Dear Sirs:

Re: T. Maikawa Stores Limited

We reported to you under date of 20th January, 1945, that all matters had been completed other than the sale of the store premises of the above company at 369 Powell Street. We reported to you that in connection with these premises a lease and option agreement had been given to a Mr. McMorland for a purchase price of \$12,500.00. Mr. McMorland failed to exercise his option and further negotiations were entered into resulting in a cash sale in July, 1945, to a Mr. Duncan McLaren representing International Plastics Limited. This sale received your approval and was completed early in August, 1945.

We received a request from Mr. Tokio Maikawa for payment of the loan of \$11,500.00 and interest standing to his credit on the books. You will recall that the sum of \$5,000.00 was paid to Mr. Maikawa at the time of his evacuation from Vancouver in 1942. At that time certain questions arose as to the origin of this balance in favor of Mr. Maikawa and for that reason only a portion was paid to him in 1942. We have been unable to discover any further evidence militating against the payment of the balance, and after discussion with you the payment has been sanctioned and the sum of \$14,797.87 paid to Mr. Maikawa.

Office of the Custodian,  
Vancouver, B. C.

- 2 -

25th October, 1945.

We attach hereto the following exhibits:

- Exhibit 1 - Balance Sheet as at 30th September, 1945.  
Exhibit 2 - Profit and Loss Account for the year ended  
30th September, 1945.  
Exhibit 3 - Cash Receipts and Payments, 1st January to  
30th September, 1945.

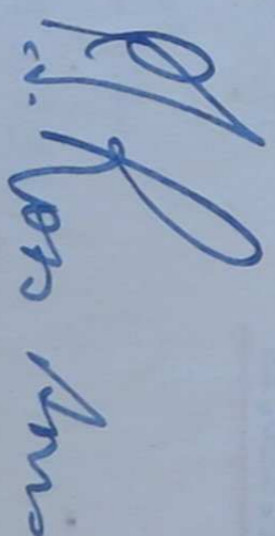
Perusal of the Balance Sheet at 30th September, 1945 (Exhibit 1)  
discloses the following items still outstanding:

Accounts Receivable	\$ 5,943.66
(collection doubtful)	
Mortgage Receivable	\$ 100.00
Shares in Farmers Products	
Distributing Company	\$ 100.00

The remaining accounts receivable have been fully provided for  
and the collection thereof is considered extremely doubtful. Payments of  
\$50.00 per quarter are being made on the mortgage receivable, the last  
payment falling due on 31st December, 1945. The affairs of the Farmers  
Products Distributing Company are being investigated by us and we are  
unable to place a value on these shares at this time.

We would recommend that the assets and records of this company  
be transferred to you and releases of control granted to Messrs. P. S.  
Ross & Sons and Mr. Frederick Field.

We shall be glad to supply any further information you may  
require.



Chartered Accountants.

T. Matkewa Stores Limited

Balance Sheet  
as at 30th September, 1945

Exhibit 1

A s s e t s

Current  
Cash - balances on hand and at bankers  
Accounts receivable  
Less: Reserve for doubtful accounts  
Mortgage receivable  
Dominion of Canada 3% bonds  
Interest accrued thereon

5,943.66  
5,943.66  
-  
100.00  
68,000.00  
745.00  
68,745.00  
69,612.09

Investments

Farmers Products Distributing  
Company - 10 shares

100.00

Goodwill

34,236.01

\$ 103,948.10

L i a b i l i t i e s

Share Capital

Authorized  
1,500 shares of \$100.00 each  
Issued and fully paid  
1,250 shares of \$100.00 each

125,000.00  
21,051.90  
103,948.10

\$ 103,948.10

T. Malkawa Stores Limited  
Profit and Loss Statement  
for the year ended 30th September, 1945

Exhibit 2

Miscellaneous Income  
 Rentals received  
 Interest on bonds, etc.  
 Bad debts collected  
 Sale of merchandise

600.00  
 2,502.76  
 56.34  
 16.66  
3,175.76

Expenses

Insurance, less recovered  
 Light, heat, power & water  
 Taxes and licences  
 Depreciation - building  
 Interest  
 Commission on sale of building  
 Advertising  
 Legal expenses  
 Safekeeping charges  
 Controllers' fees  
 Miscellaneous

137.03  
 11.80  
 432.67  
 551.26  
 459.89  
 625.00  
 24.74  
 111.20  
 70.00  
 1,200.00  
 118.16  
3,741.75

Net loss for year ended 30th September, 1945

\$ 565.99

Deficit Account

Net loss for year ended 30th September, 1945  
Deduct: Profit on sale of bonds

565.99

Accounts payable written off  
 Profit on sale of furniture  
 and fixtures

90.00  
 59.80

Less: Suspense account written off

53.10  
202.90  
 6.99  
195.91

Add: Loss on sale of 369 Powell Street  
 Balance at debit 30th September, 1944

370.08  
 12,477.42  
 8,204.40

Balance - Deficit as at 30th September, 1945  
to Balance Sheet (Exhibit 1)

\$ 21,051.90

T. Matkawa Stores Limited

Cash Receipts and Payments for the period

1st January to 30th September, 1945

<u>Receipts</u>		
Balance on hand 1st January, 1945		1,641.18
Sale of real estate - 369 Powell Street		
Payment - McMorland re rent and option	12,500.00	
Interest on bonds	300.00	
Profit on sale of bonds	1,086.76	
Sale of bonds	90.00	
Payments and interest re mortgage	2,000.00	
Accounts receivable	159.00	
Sale of merchandise	87.45	
	<u>16.66</u>	
		<u>16,239.87</u>
		<u>17,881.05</u>

Payments

<u>T. Matkawa - Principal</u>	11,500.00
- Interest	<u>3,297.87</u>
Insurance	14,797.87
Commission re sale of building	181.10
D. McLaren - adjustments	625.00
Legal expenses	46.35
Advertisement re creditors	111.20
Safekeeping charges - bonds	24.74
Storage of records	70.00
Registration fees	25.50
Miscellaneous	28.75
P. S. Ross & Sons - Controllers	3.45
	<u>1,200.00</u>
	<u>17,113.96</u>

Balance at bankers 30th September, 1945      \$ 767.09

T. Matkawa Stores Limited  
Report on Liquidation  
20th January, 1945

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS

MONTREAL

TORONTO

WINNIPEG

GALGARY

VANCOUVER

54/101/1/1/1/1/1  
30

MONTREAL  
TORONTO  
VANCOUVER  
CALGARY  
VANCOUVER

340 ST. JAMES STREET  
MONTREAL, QUEBEC  
100 KING STREET WEST  
TORONTO, ONTARIO  
ROYAL BANK BUILDING  
VANCOUVER, B.C.

ESTABLISHED 1838

CABLE ADDRESS PHILROSS

**P. S. ROSS & SONS**

CHARTERED ACCOUNTANTS, TRUSTEES & LIQUIDATORS

ROYAL BANK BUILDING

VANCOUVER, B. C.

20th January, 1945.

BRIQ. GEN. JAMES O. ROSS, (CAN)  
A. F. C. ROSS, (CAN) F.R.A., (CAN)  
JOHN W. ROSS, (CAN) F.R.A., (CAN)  
RODOLPH W. ROSS, (CAN) F.R.A., (CAN)  
S. R. CAMPBELL, C.A.  
JOHN A. GRANT, C.A.  
GUY E. HOLT, C.A.  
W. L. GATEHOUSE, C.A.  
W. G. JERPHOULT, C.A.  
J. W. HAYTHORN, C.A.  
F. E. H. OATES, C.A.  
G. M. HAYTHORN, C.A.  
JOHN A. ROSS, C.A.

Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

Attention: Mr. F. G. Shears  
Director

Dear Sirs:

Since our report of 6th March, 1944, we have continued the liquidation of the business of T. Malkawa Stores Limited and now submit our report for the period ended 31st December, 1944, and attach hereto the following exhibits:

- Exhibit 1 - Balance Sheet as at 31st December, 1944.
- Exhibit 2 - Profit and Loss Account for the three months ended 31st December, 1944.
- Exhibit 3 - Statement of Cash Receipts and Payments 1st March to 31st December, 1944.
- Exhibit 4 - Balance Sheet as at 30th September, 1944.
- Exhibit 5 - Profit and Loss Account for the year ended 30th September, 1944.
- Exhibit 6 - Surplus Account 30th September, 1944.

The period under review has seen the completion of realization of merchandise inventories as well as store fixtures. The accounts as at 31st December, 1944 show a net deficit of \$8,191.91. If from this deficit there is eliminated the losses and profits on sale of fixed assets and a further provision made re possible bad debts, it will be seen that a total cost was incurred of \$4,538.50 in disposing of a merchandise inventory of

Office of the Custodian,  
Vancouver, B. C.

- 2 -

20th January, 1945.

\$92,354.31.

Surplus at 31st January, 1942  
Deficit 31st December, 1944

2,267.11  
8,191.91

Exclude profit or loss on sale

10,459.02

of fixed assets

3,794.78

5,920.52

Further provision for bad debts

2,125.74

\$ 4,538.50

In our report of 25th September, 1942 we suggested the advisability of liquidating this business by means of continued operation rather than by immediate liquidation by forced sale and we feel that this suggested procedure has been justified by the results accomplished.

As mentioned in our report of the 6th March, 1944, the bids received in response to the call for tenders of the remaining merchandise and fixtures were not considered satisfactory. It was decided to continue operation of the store. During the period of operation the various fixtures were disposed of, based on the appraised values. The residue, both of merchandise and fixtures, was disposed of by public auction during July, 1944. This left only a small amount of Japanese merchandise of questionable value. Tenders were called for this merchandise by advertisement dated 30th September, 1944, but no bids were received. A bid has now been received of \$50.00 for this merchandise and two other small lots of Japanese merchandise belonging to other companies, and we are recommending that this offer be accepted.

During the past year constant efforts were made to find a buyer for the store premises, known as 369 Powell Street. The premises were shown to a number of people and finally on 13th November, 1944 we received a proposal from a Mr. J. A. McMorland to rent the premises for three months for a total rental of \$300.00 with an option to purchase at the expiration of the lease for \$8,000.00. This offer was subsequently increased to \$10,900.00. This offer received the approval of Mr. D. W. Reeve, who made the original appraisal. After consultation with your office it was decided



Office of the Custodian,  
Vancouver, B. C.

- 3 -

20th January, 1945.

to secure further appraisals and accordingly the services were secured of Mr. J. C. Mepherston of Pembertons Limited and Mr. J. P. Nicholls of Macaulay, Nicholls & Matland. These gentlemen made a joint appraisal of \$12,500.00. Mr. McMorland was induced to increase his offer to \$12,500.00 and we recommended this for your approval and secured your acceptance on 23rd November, 1944. A lease and option agreement has been completed between the company and Mr. McMorland on the following terms:

Option to purchase till 20th February, 194~~5~~.

Cash - \$5,000.00 (on which \$300.00 rent paid shall apply)

Balance \$7,500.00 payable in equal payments in three, six and nine months with interest at 5% per annum.

If purchase be completed, taxes and insurance to be adjusted as of 21st November, 1944.

If Mr. McMorland takes up his option to purchase at \$12,500.00, it will represent a capital loss to the company of \$12,822.38.

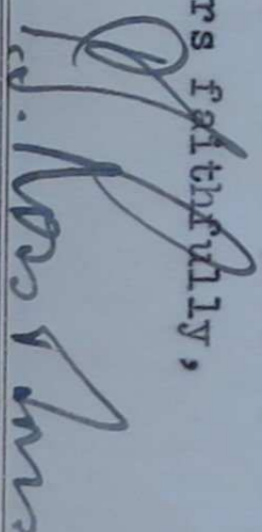
The only other matters requiring attention are the collection of accounts receivable and the realization of an investment of \$100.00 in Farmers Products Distributing Company. The accounts receivable are practically all due by Japanese and with few exceptions the collection thereof is being attended to by your collection department. You have recently placed the affairs of the Farmers Products Distributing Company in our hands for investigation and any realization from the investment in that company will take some time to determine.

We have requested the Income Tax Department to grant us a clearance as we understand that all taxes are now paid.

We would recommend that the assets and records of this company be transferred to you and releases of control granted to Messrs. P. S. Ross and Sons and Mr. Frederick Field.

We shall be glad to supply any further information you may require.

Yours faithfully,



P. S. ROSS & SONS

T. Malkawa Stores Limited  
Balance Sheet as at 31st December, 1944

Exhibit 1.

	<u>A s s e t s</u>	
<u>Current</u>		
Cash - Balances on hand and at bankers	1,641.18	
Accounts receivable	281.11	
Less: Reserve for doubtful accounts	70,000.00	
Dominion of Canada 3% bonds	70,060.00	
Interest accrued thereon	71,982.29	
<u>Fixed Assets</u>		
Building	21,339.40	
Less: Reserve for depreciation	2,767.02	
Real estate	18,572.38	
	6,750.00	
<u>Investment</u>		
Farmers Products Distributing Co. 10 shares	100.00	
<u>Deferred Charges</u>		
Prepaid Insurance	18.95	
Suspense account	6.99	
Goodwill	34,236.01	
	<u>34,236.01</u>	
	<u>\$ 131,666.62</u>	
<u>Current</u>	<u>L i a b i l i t i e s</u>	
Accounts payable	209.80	
Prepaid revenue	167.00	
Loan Account - T. Malkawa	11,500.00	
Interest accrued	2,981.73	
Share Capital	14,481.73	
Authorized	<u>\$150,000.00</u>	
1,500 shares of \$100.00 each		
Issued and fully paid	125,000.00	
1,250 shares of \$100.00 each	8,191.91	
Deficit per Exhibit 2	<u>116,808.09</u>	
	<u>\$ 131,666.62</u>	

Exhibit 2.

T. Malkawa Stores Limited

Profit and Loss Account for the three months  
ended 31st December, 1944

<u>Miscellaneous Income</u>	
Rentals received	133.00
Interest and exchange	4.50
Interest on bonds	712.50
	<u>850.00</u>
<u>Deduct - Selling &amp; Administrative Expenses</u>	
Insurance	94.75
Light, heat, power & water	11.80
Miscellaneous expense	78.46
Taxes and licenses	205.35
Depreciation - buildings	206.30
Interest	143.75
Custodian's fees	150.00
	<u>890.61</u>

Net loss for the three months ended  
31st December, 1944

\$ 40.61

Surplus

Net loss for the three months ended  
31st December, 1944  
Less: Profit on sale of furniture  
and fixtures

40.61

53.10

12.49

8,204.40

Deduct: Balance at debit 30th  
September, 1944

\$ 8,191.91

Deficit to 31st December, 1944

T. Malkawa Stores Limited

Exhibit 3.

Cash Receipts and Payments for the period

1st March, 1944 to 31st December, 1944

<u>Receipts</u>		
Balance on hand 29th February, 1944		29,511.39
Merchandise sales	7,918.71	
Accounts receivable	22.79	
Rents received	369.00	
Interest on bonds	1,630.00	
Interest - sundry	15.75	
War Savings Certificate	4.00	
Purser Bros. - account mortgage	150.00	
Sale of furniture and fixtures	2,802.90	
Discounts received	2.53	
Miscellaneous expense recovered	28.50	
Store supplies recovered	59.61	
Insurance rebates	88.28	
	<u>13,092.07</u>	
	42,603.46	

Disbursements

Merchandise purchases	515.44
Light, heat, power & water	272.03
Telephone	36.17
Interest - sundry	20.90
Business license (special)	25.00
Advertising	744.66
Legal fees	207.15
Audit fees	175.00
Unemployment Insurance	175.00
Wages	43.02
Miscellaneous expense	1,565.93
Custodian's fees	224.95
Property taxes	1,200.00
Rent	822.21
Freight and cartage	80.50
Postage	9.04
Store supplies	94.76
	11.11
	<u>6,047.87</u>

Accounts payable  
Victory Bonds

889.41  
34,000.00

40,937.28  
1,666.18  
25.00

Less: Returned cheque - written off  
Balance on hand 31st December, 1944      \$ 1,641.18

T. Malkawa Stores Limited

Balance Sheet as at 30th September, 1944.

Exhibit 4.

<u>Current Assets</u>	<u>A s s e t s</u>		
Cash on hand	5.61		
Cash in bank	4,300.49		
Accounts receivable	6,353.90		
Less: Reserve for bad debts	6,000.00		
	353.90		
Dominion of Canada 3% bonds	66,000.00		
Interest accrued thereon	412.50		
War Savings Stamps on hand	412.50		
Total current assets	71,074.25		
<u>Fixed Assets</u>			
<u>Buildings</u>			
Less: Reserve for depreciation	21,339.40		
Real estate	2,560.72		
Investment	18,778.68		
Farmers Products Distributing Co. 10 shares	6,750.00		
Deferred Charges & Prepaid Expenses			
Suspense account	6.99		
Taxes - prepaid	205.55		
Insurance - unexpired	113.70		
Goodwill	326.24		
	34,236.01		
	\$ 131,265.18		
<u>Current Liabilities</u>	<u>L i a b i l i t i e s</u>		
Accounts payable - trade			
Loan Account - T. Malkawa	11,500.00		
Interest accrued thereon	2,837.98		
Share Capital			
Authorized	\$150,000.00		
1,500 shares of \$100.00 each			
Issued and fully paid			
1,250 shares of \$100.00 each	125,000.00		
Deduct: Deficit as per Exhibit 6	8,204.40		
	116,795.60		
	\$ 131,265.18		

T. Malkawa Stores Limited

Profit and Loss Statement

for the year ended 30th September, 1944

Exhibit 5.

<u>Sales</u>			
Deduct: Cost of sales		30,622.21	
Inventory as at 1st October, 1943		6,353.60	
Purchases		36,975.81	
		<u>42,429.20</u>	
<u>Less: Inventory as at 30th September, 1944</u>			
<u>Gross Trading Profit</u>		<u>36,975.81</u>	
<u>Other Income</u>			
Discounts earned		75.80	
Rentals received		81.50	
Interest on bonds		1,060.00	
		<u>6,670.69</u>	
<u>Deduct: Selling &amp; Administrative Expenses</u>			
Depreciation			
Buildings	717.26		
Furniture and fixtures	266.68		
Cheques returned		983.94	
Custodian fees		25.00	
Advertising		700.00	
Freight and cartage		1,653.10	
Insurance		4.54	
Interest and exchange		266.30	
Light, heat, power & water		550.47	
Office supplies		501.10	
Postage		.77	
Repairs to building and equipment		217.26	
Store supplies and expense		5.80	
Telephone and telegraph		108.90	
Unemployment Insurance		76.11	
Wages		75.79	
Taxes and licenses		4,499.44	
Legal and audit		991.61	
Cash variations		382.15	
Miscellaneous		.75	
		<u>317.99</u>	
			<u>11,359.52</u>
			<u>\$ 4,688.83</u>

Net Loss for the year ended 30th September, 1944 carried to surplus

	Per Balance Sheet as of January 31, 1942	Realization of Inventory as of May 31, 1942
<b>Assets</b>		
Accounts Receivable	\$14,165	
Inventory	92,354	\$92,354 31
Investment-1 Share Farmers' Investment Co.		78,669 51
Products Trucks	100	
Autos and Trucks	2,681	
Autos and Fixtures	3,653	171,023 82
Furniture and Fixtures	5,450	209,887 41
Land & Building-Alexander St.	6,750	
Land - Powell St.	20,489	38,863 59
Building - Powell St.		
	<u>145,643</u>	
Liabilities:		
Accounts Payable	14,428	
Accounts for Income Taxes	1,762	
Provision for Income Taxes		2,267 11
T. Maikawa - Japan	23,284	\$5,302 15
Tokio Maikawa - Canada		1,479 17
Loan	16,500	695 35
Accrued Interest	1,242	1,739 59
	<u>57,217</u>	<u>4,365 00</u>
Excess of Assets Liabilities	88,425	13,581 26
Cash and Dominion of Canada Bonds	<u>4,605</u>	<u>3,263 30</u>
Net Worth (Shareholders' Equity)	93,031	<u>10,317 96</u>
		8,050 85
		167 00
		<u>25 94</u>
		141 06
		<u>8,191 91</u>

(a) See schedule B for particulars  
(b) Provision for depreciation  
(c) Income and Excess Profits Taxes  
(d) Interest on enemy debt  
(e) Fees-Investigation, control and  
(f) Miscellaneous Income-Rentals, Inte  
(g) See Schedule C for reconciliation

per 31, 1944

T. MAIKAWA STORES LIMITED

SCHEDULE A - REALIZATION AND LIQUIDATION STATEMENT

Per Balance Sheet as at December 31, 1944

Schedule B-Realization of Inventory January 31, 1942

Per Balance Sheet as at January 31, 1942

\$92,354 31
78,669 51
171,023 82
209,887 41
38,863 59
35,905 65
2,957 94

\$ 281 11			
	100 00		
	-		
	-		
	-		
	-		
	6,750 00		
	18,572 38		
	25,703 49		
		3,945 89	
		9,248 04	
		114,637 85	145,643 49

2,267 11
Balance at credit-January 31, 1942
Deduct:
Net Loss on realization of assets with book value of \$145,643.49 - %
Income & Excess Profits Taxes 1941
Interest on enemy debt paid to Custodian
Accrued Interest on Loan Tokio Maikawa Fees-Investigation, Control and Liquidation
4,365 00
1,739 59
13,581 26
3,263 30
10,317 96
8,050 85
141 06
8,191 91

	209 80		
	-		
	-		
	11,500 00		
	2,981 73		
	14,691 53		
	11,011 96		
	71,701 18		
	82,713 14		

\$14,165 52			
92,354 31			
100 00			
2,681 09			
3,653 41			
5,450 00			
6,750 00			
20,489 16			
145,643 49			

14,428 07	14,218 27		
1,762 68	3,241 85(c)1,479 17		
23,284 71	23,980 06 (d) 695 35		
16,500 00	5,000 00		
1,242 14	-		
57,217 60	46,440 18		
88,425 89	68,197 67		
4,605 21	68,197 67(e)4,365 00 (f) 3,263 30		
17,527 15	7,209 19		
(@)10,317 96			

82,713 14			
71,701 18			
11,011 96			
3,945 89			
13,162 15			
4,365 00			
7,209 19			
17,527 15			

Assets  
 Accounts Receivable \$14,165 52  
 Inventory Investment-1 Share Farmers' Products Co. 100 00  
 Autos and Trucks 2,681 09  
 Furniture and Fixtures 3,653 41  
 Land & Building-Alexander St. 5,450 00  
 Land - Powell St. 6,750 00  
 Building - Powell St. 20,489 16  
 145,643 49

Liabilities:  
 Accounts Payable 14,428 07  
 Provision for Income Taxes 1,762 68  
 T. Maikawa - Japan 23,284 71  
 Tokio Maikawa - Canada 16,500 00  
 Loan 1,242 14  
 Accrued Interest 57,217 60  
 Excess of Assets Liabilities 88,425 89  
 Cash and Dominion of Canada Bonds 4,605 21

Net Worth (Shareholders' Equity) 93,031 10  
 See schedule B for particulars  
 (a) Provision for depreciation  
 (b) Income and Excess Profits Taxes 1941  
 (c) Interest on enemy debt  
 (d) Fees-Investigation, control and liquidation  
 (e) Miscellaneous Income-Rentals, Interest etc.  
 (f) See schedule C for reconciliation of Surplus a/c



P. Malkawa Stores Limited  
Report on Control  
as at 17th June, 1943

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS

MONTREAL

TORONTO

WINNIPEG

CALGARY

VANCOUVER

MONTREAL  
WINNIPEG  
VANCOUVER

860 ST JAMES STREET  
807 ELECTRA BUILDING  
LANCASHIRE BUILDING  
ROYAL BANK BUILDING

ESTABLISHED 1898

CABLE ADDRESS PHILROSS

**P. S. Ross & Sons**  
CHARTERED ACCOUNTANTS, TRUSTEES & LIQUIDATORS

ROYAL BANK BUILDING  
VANCOUVER, B.C.  
17th June, 1943.

BRIG. GEN. JAMES G. ROSS, (CAN)  
A. F. C. ROSS, (CAN) F.R.A.A. (1940)  
JOHN W. ROSS, (CAN) F.R.A.A. (1940)  
GORDON W. SCOTT, (CAN)  
S. R. CARRELL, (CAN)  
W. J. HARRISON, (CAN)  
S. B. PECKHAM, (CAN)  
GUY E. HOUT, (CAN)  
W. G. JEFFCOTT, (CAN)  
H. S. HAWTHORN, (CAN)  
G. C. HAWTHORN, (CAN)  
IAN A. ROSS, (CAN)  
JOHN A. ROSS, (CAN)

Office of the Custodian,  
506 Royal Bank Building,  
Vancouver, B. C.

Attention Mr. F. G. Shears  
Acting Director

Dear Sirs:

Under date of the 25th September, 1942 we submitted an interim report on our control of the operations of T. Malkawa Stores Limited. This report contained financial statements for the six months ended 31st July, 1942. Since that date business has continued under our control, and as the fiscal year of the company ends 30th September, the following statements are attached hereto:

- Exhibit 1. Balance Sheet as at 30th September, 1942.
- Exhibit 2. Profit and Loss Account for the year ended 30th September, 1942.
- Exhibit 3. Balance Sheet as at 30th April, 1943.
- Exhibit 4. Profit and Loss Account for the seven months ended 30th April, 1943.

We would make the following comments on the attached statements:

You will note that Exhibit 2 shows a profit of \$5,245.63 on the operations of the store for the year. This, however, was reduced to a profit of \$46.59 after provision for bad debts was made in the amount of \$6,115.51 and the account credited with the profit on the sale of all the company's cars and trucks, with the exception of one Dodge sedan, amounting to \$916.47.

Office of the Custodian,  
Vancouver, B. C.

- 2 -

17th June, 1943.

Reference to Exhibit 4 shows that a net loss on the store operations in the amount of \$885.40 resulted for the period of seven months ended 30th April, 1943. You will note that this statement provides for repairs and taxes and depreciation on the company's buildings and fixtures in the amount of \$1,501.11. We would point out that this expense would have been incurred should the business have been closed and the building and fixtures not disposed of. While the operations of the seven months ended 30th April, 1943 show that, before depreciation and property carrying charges, a small profit resulted, we are satisfied that this was partly due to the increased business enjoyed by the company during the Christmas season.

An analysis of the sales for the seven months shows the following totals for each month:

October, 1942	\$ 4,880.76
November, 1942	3,421.95
December, 1942	4,552.48
January, 1943	2,167.59
February, 1943	3,917.44
March, 1943	4,423.79
April, 1943	2,664.29
Total	<u>\$26,028.30</u>

The increased sales in March, 1943 were largely due to the company obtaining a large supply of rice and being able to fill a number of back orders.

The last complete physical inventory taken was made at the 31st July, 1942 and the inventories at 30th September, 1942 and 30th April, 1943 were estimated on the following basis:

Inventory 31st July, 1942, less cost of merchandise sold in excess of new purchases (estimated at 80% of the sales) less \$1,500.00, being half the cost of merchandise of Japanese manufacture as shown by a physical inventory made thereof at the 30th September, 1942.

The monthly statements covering the store operations for April and May, 1942 show a net loss, after all charges, of approximately \$150.00 per month.

Office of the Custodian,  
Vancouver, B. C.

- 3 -

17th June, 1943.

In our previous report to you we stated we were of the opinion this business should be continued until it was definitely known whether or not the business district of Powell Street would experience some revival after the recession caused by the evacuation of the Japanese. We were also of the opinion that the most advantageous way to liquidate the company's inventory was to continue in business.

We are of the opinion that the reduction in merchandise inventory from \$92,354.31 at 31st January, 1942 to approximately \$30,000.00 to date, and the fact that the company operated at a profit in this interval, has warranted the continuation of this business.

We are now of the opinion that the return of business to Powell Street is still in the distant future. It would appear that the present Government Regulations curtailing the opening of new business will prohibit the immediate revival of this area as a retail merchandising area. In view of this we do not consider the business is as attractive for purchase as a going concern as had been hoped. It is, of course, possible a purchaser may come forward who wishes to commence business but can only do so, under the Government Regulations, by acquiring an established business.

We understand it is not your policy to indefinitely continue this business, and while we are of the opinion the operations could be continued at a nominal loss and some additional reduction in the merchandise inventory effected, we cannot be assured that continuing in business will improve the present situation.

There is a possibility of selling this business as a going concern for the following reasons:

1. A purchaser may be found who wishes to commence in business but cannot under the Government Regulations.
2. Most manufacturers or their agents allot merchandise quotas to retailers based on previous purchases. These may have some tangible value in the sale of the business as a going concern.

Office of the Custodian,  
Vancouver, B. C.

- 4 -

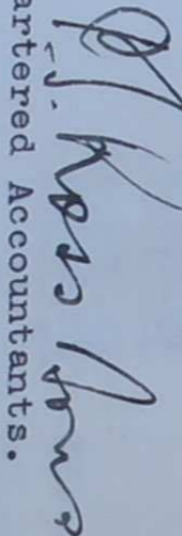
17th June, 1943.

In view of the foregoing we would recommend that the business should be sold and the following procedure should be followed:

1. That a liquidation order be issued.
2. That it be understood that the business continue to operate while efforts are being made to carry out a sale.
3. That the business be offered for sale by tender as a going concern (including the building).

In our opinion any value, attaching to the business by reason of being an existing business and by reason of receiving quotas of merchandise, will be destroyed should the doors be closed and the assets offered for sale piecemeal.

Respectfully submitted,

  
Chartered Accountants.

T. MATKAWA STORES LIMITED  
Balance Sheet as at 30th September, 1942

Exhibit 1.

	<u>A s s e t s</u>	
<u>Current</u>		
Cash balances on hand and at bankers	6,493.68	
Accounts receivable	6,000.00	
Less: Reserve for bad debts		33,375.91
Merchandise Inventory	37,119.89	
Victory Bonds and War Savings Stamps	1,100.00	
Unemployment Insurance Stamps	.84	
	<u>72,090.32</u>	
<u>Investments</u>		
1 share Farmer's Products Distributing Co.		100.00
<u>Fixed Assets</u>		
Automobile	1,108.00	
Furniture and fixtures	4,000.47	
Buildings	25,039.40	
Less: Depreciation reserves		30,147.87
Land	3,290.47	
	26,857.40	35,607.40
Goodwill	8,750.00	
	<u>34,236.01</u>	
	<u>\$ 142,033.73</u>	
		<u>L i a b i l i t i e s</u>
<u>Current</u>		
Accounts payable		1,717.41
Loan Account - Tokio Matkawa		
Principal	11,500.00	
Interest	1,687.98	
	<u>13,187.98</u>	
<u>Capital and Surplus</u>		
<u>Authorized Capital</u>		
1,500 shares of \$100.00 each	<u>\$150,000.00</u>	
<u>Issued</u>		
1,252 shares	125,200.00	
Less: Unpaid thereon	<u>200.00</u>	
	125,000.00	
<u>Surplus</u>		
Balance per Profit and Loss Account	<u>2,128.34</u>	<u>127,128.34</u>
	<u>\$ 142,033.73</u>	

T. MATKAWA STORES LIMITED  
Balance Sheet as at 30th April, 1943

Exhibit 3.

A s s e t s

<u>Current</u>		
Cash - balances on hand and at bankers	6,496.78	8,949.99
Accounts receivable	6,000.00	496.78
Less: Reserve for bad debts		
Merchandise Inventory - estimated	31,666.84	31,666.84
Victory Bonds and War Savings Stamps	31,100.00	31,100.00
Unemployment Insurance Stamps	.84	.84
	<u>72,214.45</u>	<u>72,214.45</u>

Investments

1 share Farmer's Products Distributing Co.  
Mortgage - Purser Bros. Property

Fixed Assets

Furniture and fixtures  
Buildings

Less: Depreciation reserve

Land  
Prepaid Insurance and Licences - Estimated  
Goodwill

	100.00	
	<u>550.00</u>	650.00
	4,000.47	
	25,039.40	
	29,039.87	
	3,066.66	
	<u>25,973.21</u>	34,723.21
	8,750.00	
	<u>142,282.02</u>	<u>142,282.02</u>

L i a b i l i t i e s

Current  
Accounts payable  
Deposits re Mail Orders  
Accrued taxes

Loan Account - Tokio Matkawa

Principal  
Interest  
Sundries

Capital and Surplus

Authorized Capital

Issued

1,252 shares  
Less: Unpaid thereon

Surplus

	11,500.00	
	2,023.40	
	<u>26.40</u>	13,549.80
	<u>150,000.00</u>	
	125,200.00	
	<u>200.00</u>	125,000.00
	<u>1,096.98</u>	<u>126,096.98</u>
	<u>142,282.02</u>	<u>142,282.02</u>

Balance per Profit and Loss Account

T. MAIKAWA STORES LIMITED

Profit and Loss Account

For the seven months ended 30th April, 1943

Exhibit 4.

Sales: 26,028.30

Cost of Sales:  
 Inventory 1st October, 1942 37,119.89  
 Purchases 15,386.35

Less: Inventory 30th April, 1943 52,506.24  
Gross Profit: 20,839.40

Miscellaneous Income: 5,188.90

Purchase discounts 100.29  
 Rent received 45.50  
 Interest on bonds 315.00  
 Sundries 4.97

Operating Expenses: 465.76

Salaries and wages	3,582.13	
Unemployment Insurance	39.92	
Light, heat and water	495.58	
Telephone	45.41	
Office supplies	10.63	
Advertising	147.16	
Store supplies	77.32	
Insurance, licences	118.36	
Repairs and taxes	786.40	
Depreciation - Buildings	481.35	
- Furniture and fixtures	233.36	
Controllers fees	714.71	
Miscellaneous	350.00	
	172.44	
<u>Net Loss on Store Operations:</u>		<u>6,540.06</u>

Deduct: Profit on sale of car 189.46

Add: Interest on Tokio Maikawa Loan Account 695.94

Net Loss for the seven months ended 30th April, 1943 335.42

Balance at Credit 1st October, 1942 1,031.36

Balance at Credit 30th April, 1943 to Balance Sheet \$ 1,096.98



T. MATKAWA STORES LIMITED  
REPORT ON CONTROL  
25th SEPTEMBER, 1942

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS

MONTREAL

TORONTO

WINNIPEG

CALGARY

VANCOUVER

MONTREAL  
TORONTO  
VANCOUVER  
CALGARY  
VANCOUVER

380 ST. JAMES STREET  
607 KEELENG BUILDING  
ROYAL BANK BUILDING

ESTABLISHED 1838

CABLE ADDRESS PHILROSS

**P. S. Ross & Sons**  
CHARTERED ACCOUNTANTS, TRUSTEES & LIQUIDATORS

ROYAL BANK BUILDING  
VANCOUVER, B. C.

25th September, 1942.

3810, 3811, JAMES O. ROSS, (CAN)  
A. F. C. ROSS, (CAN) F.S.A. (ENGL)  
JOHN W. ROSS, (CAN) F.S.A. (ENGL)  
GORDON W. SCOTT, C.A.  
JOHN A. ORANT, C.A.  
S. B. PECKHAM, C.A.  
W. L. GATHEROFF, C.A.  
W. O. JEPHOOTT, C.A.  
H. S. HARTHORNE, C.A.  
G. M. HAYTHORN, C.A.  
IAN A. ROSS, C.A.  
JOHN A. ROSS, C.A.

G. W. McPherson, Esq.,  
Authorized Deputy of the Secretary  
of State and/or Custodian,  
Vancouver, B. C.

Sir:

Since our report to you of 21st April, 1942 the operation of the business of T. Malkawa Stores Limited has been continued under our control. In our report of 21st April, we submitted statements of the company as at 31st January, 1942. While we have advised you from time to time of the operations of this business, a physical inventory was taken at the 31st July, 1942, so we attach hereto the following statements:

1. Balance Sheet as at 31st July, 1942
2. Profit and Loss Account for the six months ended 31st July, 1942

In comparing the enclosed Balance Sheet with that of 31st January, 1942, we would call your attention to the following:

The Inventory of the company has been reduced approximately 50%. This has enabled the company to pay off the enemy debt of \$23,284.71 and interest, all current liabilities with the exception of the current months accounts, and the loan account of Tokio Malkawa has been reduced by \$5,000.00.

You will note a substantial sum is now shown under the heading of cash on hand and in bank.

G. W. McPherson, Esq.,  
Vancouver, B. C.

- 2 -

25th September, 1942.

The accounts receivable, after deducting a reserve for bad debts set up at 31st January, 1942, of \$3,874.26, shows a net amount still considered collectable of \$3,057.74. While the collection of this balance is largely contingent upon the liquidation of Japanese Evacuees' affairs through the Japanese Evacuation Section of your office, we consider it is reasonable to assume that the net balance of \$3,057.74 will be forthcoming.

You will note that the automobiles, after deducting the depreciation reserve, remain on the books at a very nominal figure. Of the six cars and trucks on hand at 31st January, 1942, four have been sold. When the remaining two have been disposed of, the automobile account will be adjusted and the profit on the realization of the cars and trucks will be shown.

Reference to the Profit and Loss Account for the six months ended from the 31st July, 1942, shows a profit of \$4,525.15, before provision for income and excess profits taxes. At the time the Japanese were being evacuated through Vancouver from out-lying points, the company enjoyed a considerable increase over its normal business. While for the last two months the gross sales have averaged a little less than \$9,000.00 per month we consider that the business should still be continued. The operating expenses have been substantially reduced and we calculate that at the present time, including all charges such as controller's fees, depreciation, etc., should not exceed \$1,600.00 per month.

While a large number of Japanese have been evacuated from Vancouver, we find that the hotels and rooming houses in the Japanese District are being occupied by Occidentals, a great number of whom are employed in the shipyards along the water front. We understand that approximately 50% of the trade in the store is now with white people, and as the population in this area increases it is reasonable to expect the store business will improve.

G. W. Moperson, Esq.,  
Vancouver, B. C.

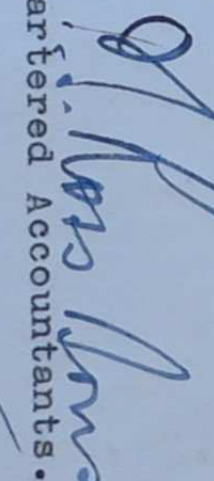
- 3 -

25th September, 1942.

It has been necessary in order to continue business to permit the company to purchase staple lines that are readily saleable. The purchases have been kept as low as possible and the reduction of the inventory is continuing. During the month of August we estimate the inventory reduction was approximately \$5,000.00.

We appreciate that the inventory cannot be reduced indefinitely but consider that so long as the business can be maintained, even at a small loss, operations should continue. It may be that some time in the future a sale of the undertaking will have to be made, but if in the meantime, the patronage is changed from Oriental to Occidental the possibility of disposing of the business as a going concern will be greatly enhanced. This should make it possible to liquidate the company's substantial investment in Real Estate, Buildings and Furniture and Fixtures amounting to over \$35,000.00.

Respectfully submitted,

  
Chartered Accountants.

T. Matikawa Stores Limited  
Balance Sheet as at 31st July 1942

L i a b i l i t i e s

1,531.89  
2,000.00  
3,531.89

Current  
Accounts payable  
Reserve for income taxes

11,500.00  
1,592.14  
13,092.14

Loan Account  
Tokio Matikawa  
Accrued interest

\$150,000.00

Capital and Surplus  
Authorized  
1,500 shares of \$100.00 each  
Issued  
1,252 shares of \$100.00 each  
Less: Unpaid thereon  
200.00  
125,000.00

4,792.26  
129,792.26

Profit and Loss  
Balance at credit per exhibit "A"

\$ 146,416.29

A s s e t s

Current  
Cash on hand and in bank  
War Loan Bond  
Accounts receivable  
Less: Reserve for bad debts  
Merchandise inventory

25,281.80  
1,000.00  
26,281.80  
6,932.00  
3,874.26  
3,057.74  
47,035.43  
76,374.97

Investments  
1 share Farmers' Products Company

100.00

5,073.28  
5,067.19  
6.09

Automobiles  
Less: Depreciation reserve

4,000.47  
639.50  
3,360.97

Furniture and fixtures  
Less: Depreciation reserve

2,000.00  
6,750.00  
8,750.00

Real Estate  
Alexander Street  
Powell Street

3,700.00  
21,339.40  
25,039.40

Buildings  
Alexander Street  
Powell Street

1,451.15  
23,588.25  
25,039.40

Less: Depreciation reserve

37,236.01

\$ 146,416.29

Foodstuffs

Exhibit "A"

T. Matkawa Stores Limited  
Profit and Loss Account for the six months  
ended 31st July 1942

<u>Sales</u>			
Less: Cash discounts			
			<u>110,833.31</u>
<u>Cost of Sales</u>			
Inventory 1st February, 1942			
Purchases (less discounts)			
			<u>42.45</u>
Inventory 31st July, 1942			
			<u>110,790.86</u>
<u>Gross Profit</u>			
			<u>136,271.00</u>
<u>Operating Expenses</u>			
Salaries			
Unemployment Insurance			
Advertising			
Neon Sign			
Light and Gas			
Telephone			
Travelling expense			
Store supplies			
Office supplies			
Insurance			
Trucks and cars - operation			
General expense			
Fuel			
Repairs			
Water			
Warehouse expense			
Depreciation - furniture and fixtures			
- buildings			
Collection charges			
Interest			
Controllers fees			
			<u>1,062.01</u>
			<u>1,825.00</u>
<u>Sundry Income</u>			
Rentals - Alexander Street			
Bond interest			
Profit on kitchen operation			
			<u>40.00</u>
			<u>30.00</u>
			<u>256.74</u>
<u>Net Profit before Income Taxes</u>			
			<u>326.74</u>
<u>Interim provision for income and excess profits taxes</u>			
			<u>4,525.15</u>
<u>Net Profit for six months to 31st July, 1942</u>			
			<u>2,000.00</u>
<u>Balance at credit 1st February, 1942</u>			
			<u>2,525.15</u>
<u>Balance at credit 31st July, 1942 to Balance Sheet</u>			
			<u>2,267.11</u>
			<u>\$ 4,792.26</u>

T. Malkawa Stores Limited  
Report on Investigation  
21st April, 1942.

**P. S. ROSS & SONS**  
CHARTERED ACCOUNTANTS

MONTREAL

TORONTO

WINNIPEG

CALGARY

VANCOUVER

21st April, 1942.

G. W. McPherson, Esq.,  
Authorized Deputy of the Secretary of State,  
Vancouver, B. C.

Sir:

Since our preliminary report of the 31st December 1941 on T. Maikawa Stores Limited and our subsequent appointment as controllers on 13th January, 1942 we have continued our investigation of the company and report as follows:

Ownership

The company was incorporated under the British Columbia Companies Act on the 25th September 1940 with an authorized capital of 1500 shares of \$100.00 each. 1,252 shares have been issued and the shareholders at 7th December 1941 were as follows:

Hane Oue	1 share
Bungora Maikawa	1 share
Shigeru Oue	1 share
Kisaku Hayashi	1 share
Tokio Maikawa	81 shares
Tomekishi Maikawa	1,167 shares
	<u>1,252 shares</u>

With the exception of Tomekishi Maikawa, who is at present in Japan, all the shareholders are resident in the City of Vancouver.

Extent and Nature of Enemy Interest

The enemy interest in this company is represented by the following:



(a) Enemy Ownership

Consisting of 1,167 shares in the name of Tomekishi Malkawa, and representing 1167/1252 of the issued capital of the company.

(b) Enemy Debt

Consisting of the following:

Tomekishi Malkawa                   \$ 23,284.71

In addition to the foregoing there are a few very small accounts owing to companies under the control of the Custodian.

Directors, Officers and Employees

The company's records show the following to be the present directors:

Tomekishi Malkawa	Japan
Tokio Malkawa	Vancouver
Bungora Malkawa	Evacuated
Shigioshi Oue	Vancouver
Shigeru Oue	Vancouver
Kisaku Hayashi	Vancouver

Tokio Malkawa is the president and general manager of the company and Kisaku Hayashi is the secretary. Including the directors and officers the company's employees total 22. Of this number fifteen are male and seven female. We attach hereto a list showing the status of each director and employee.

Nature of Business

The company carries on the business of a general retail merchandise store in a two storey building with a fifty foot frontage situated at 369 Powell Street, Vancouver, B. C. The business was acquired in September 1940 from Tomekishi Malkawa, who, we understand, carried on a similar business for a number of years prior thereto. The principal merchandise dealt in consists of clothing, drygoods and groceries.

Financial Position

The following Exhibits are attached hereto:

- (1) Balance Sheet as at 31st January, 1942.
- (2) Profit and Loss Account for the four months ended 31st January 1942.

We have been supplied with unaudited statements of the Company for the year ended 30th September 1941. These statements show a net profit for the period of \$3,857.93, with sales for the period of \$235,079.63. It will be noted that Exhibit 1 shows the company to be in an excellent financial position.

We comment as follows on the various items in the company's Balance Sheet as at 31st January, 1942:  
Accounts Receivable - Trade \$17,871.75

These have been carefully scrutinized and in the opinion of the company the reserve for bad debts of \$3,874.26 is sufficient to cover possible loss on the collection of these accounts. Approximately 95% of the accounts receivable are from Japanese.

Inventories - \$92,354.31

Included therein is Japanese drygoods and groceries in the amount of \$9,253.06. The inventory also includes approximately \$10,000.00 of clothing of small size suitable for the Japanese trade only. Due to the uncertainty of the future business of the Japanese firms, letters were mailed to approximately 50 firms requesting cancellation of approximately \$18,000.00 of spring orders.

Automobiles - net book value - \$2,681.09

This is represented by the following cars and trucks which appear to be in good condition:

1	1932 Ford Tudor
2	1936 Dodge Sedans
1	1934 Federal 1½ ton truck
1	1939 Dodge Light truck
1	1941 Buick Sedan

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Furniture and Fixtures - net book value - \$3,653.41

This represents usual store fixtures which are in good condition, and office furniture consisting of:

6 Desks  
2 Typewriters  
4 Adding Machines  
1 Large Safe  
1 Mimeograph Machine

Buildings - net book value - \$23,939.16

The following two buildings are owned by the company:

Brick and frame building at - - - 354 Alexander Street,  
used as storage warehouse \$ 3,450.00

Concrete and frame building at - 369 Powell Street,  
approximately three years old \$20,489.16

The land upon which the above buildings are situated is described as follows:

Alexander Street - Lot 16, Block 40, District Lot 196

Powell Street - - Lot 27, and 28, Block 40, District  
Lot 196

Sundry Creditors - \$14,428.07

This amount consists chiefly of trade creditors and the accounts are being liquidated as they become due.

Reserve for Taxes - \$1,762.68

This account has been paid in full.

Loan Account, Tokio Malkawa - \$17,742.14

Since the inception of the company on October 1, 1940, this account has been increased in principal by the sum of \$5,200.00. Several additions and withdrawals have taken place in the intervening period. This account has been discussed with Tokio Malkawa and he advised the funds advanced are his own personal property and were not loaned to him by his father, Tomekishi Malkawa, the principal owner of the business. Although we have made inquiries at several banks we have been unable to locate personal accounts of Tomekishi Malkawa. We have inspected bank accounts

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of Tokio Maikawa and noted that his account with the Japan and Canada Trust Savings Company shows a consistent receipt of substantial sums of money. Tokio Maikawa informs us that this money was acquired in gambling ventures, but in our opinion the fact that the account shows very few withdrawals would suggest that he is in receipt of some sustained income.

Application of Control

Since our appointment as controllers of this company we have taken the following steps to establish control:

1. Advised the Bank of Montreal of our appointment and that all banking transactions should, in future, be countersigned by us.
2. Instructed the Bank of Montreal to hold the Dominion of Canada bond until release is given by us.
3. Inspected the buildings, equipment and merchandise.
4. The inventory of merchandise has been carefully considered, and as in our opinion it was too high in view of the present conditions, the company has taken steps to, if possible, cancel all the spring orders that were not considered absolutely necessary for the continuance of business.
5. The insurance coverage of a total of \$18,000.00 at the time of our appointment as Controllers has since been increased to the following:

Merchandise at Powell Street Store	\$ 75,000.00
Warehouse at Alexander Street	5,000.00
Building on Powell Street	12,000.00
Building on Alexander Street	2,500.00
Furniture and Fixtures at Powell Street	2,500.00
Machinery and Equipment at Alexander Street	<u>2,500.00</u>
<b>Total</b>	<u><u>\$ 99,500.00</u></u>

6. The system of recording cash sales and the handling of cash has been reviewed and certain improvements made. A full time Occidental

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cashier has been employed.

Existing Contracts

With the exception of merchandise orders for future delivery, of which a number will be cancelled, there are no contracts currently in force.

Prospects for Continued Operation

The present indications are that this company is operating at a profit. This condition may not continue in view of the proposed removal of Japanese from the Coast. In the meantime continued operations should result in the heavy stock being considerably reduced. Through the medium of frequent reports and inspections the trend of the business is being watched and if unprofitable operations are in prospect the business can be discontinued.

Conclusions and Recommendations

A brief summary of the company's present position is as follows:

1. There is a substantial enemy interest.
2. The financial position of the company would indicate no difficulty in continuing operations.
3. Continuing operations should have the effect of liquidating part of the inventory and reducing the outstanding accounts receivable. We therefore recommend that:

The company be permitted to continue under our control and if, in the future, it is considered advisable to liquidate, we will so report.

We shall be pleased to furnish you with any further information you may require in connection with the foregoing.

Respectfully submitted,

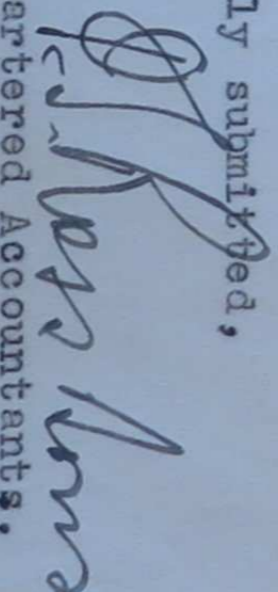
  
Chartered Accountants.

Exhibit 1.

Assets

Liabilities

<u>Current:</u>			
Cash on hand		547.03	
Cash in bank		,939.83	
Victory Loan		,941.21	
<u>Accounts Receivable:</u>			
Sundry			14,428.07
Employees			<u>1,762.68</u>
Trade			16,190.75
<u>Less: Reserve for Bad Debts</u>			
<u>Inventory - Stock on Hand:</u>			
Groceries	4,918.23		
DryGoods, etc.	<u>78,183.02</u>		
Japanese:			23,284.71
Groceries			
DryGoods, etc.	5,960.92	16,500.00	
<u>Investments:</u>	<u>3,292.14</u>	<u>1,242.14</u>	17,742.14
1 Share Farmer's Products Company			
<u>Fixed:</u>			
<u>Automobiles -(6) - (Book Value)</u>		<u>150,000.00</u>	
Less Depreciation		125,200.00	
<u>Furniture and Fixtures (Book Value)</u>		<u>200.00</u>	
Less Depreciation		125,000.00	
<u>Buildings:</u>			
Alexander Street (Book Value)			
Less Depreciation			
Powell Street (Book Value)			
Less Depreciation			
<u>Real Estate:</u>			
Alexander Street (Book Value)			
Powell Street (Book Value)			
<u>Goodwill:</u>			
			<u>\$ 184,484.71</u>

127,267.11

\$ 184,484.71

Liabilities

547.03	Current:
5,939.83	Sundry Creditors
7,941.21	Trade - Payable
14,428.07	Reserve - Income Taxes
1,762.68	Enemy Debt:
	Tomekichi Maikawa - Japan
16,500.00	Loan Account:
	Tokio Maikawa
1,242.14	Accrued Interest
17,742.14	Capital and Surplus:
	Authorized
	1500 shares at \$100.00 each
	Issued: - 1,252 shares
	Less unpaid thereon
125,200.00	Profit and Loss Account:
200.00	Balance per Exhibit 2.
125,000.00	
2,267.11	
127,267.11	
	<u>\$ 184,484.71</u>

T. Maikawa Stores Limited  
Balance Sheet as at 31st January, 1942

Assets

1,866.82	Current:
1,738.39	Cash on hand
3,605.21	Cash in bank
1,000.00	Victory Loan
	Accounts Receivable:
32.86	Sundry
135.17	Employees
17,871.75	Trade
18,039.78	Less: Reserve for Bad Debts
3,874.26	Inventories - Stock on Hand:
14,165.52	Groceries 4,918.23
	Drygoods, etc. 78,183.02
	Japanese:
	Groceries 5,960.92
	Drygoods, etc. 3,292.14
92,354.31	Investments:
111,125.04	1 Share Farmer's Products Company
100.00	Fixed:
	Automobiles - (6) - (Book Value)
7,748.28	Less Depreciation
5,067.19	Furniture and Fixtures (Book Value)
4,055.47	Less Depreciation
702.06	Buildings:
3,653.41	Alexander Street (Book Value)
6,334.50	Less Depreciation
3,450.00	Alexander Street (Book Value)
3,700.00	Less Depreciation
250.00	Powell Street (Book Value)
21,339.40	Less Depreciation
850.24	Real Estate:
20,489.16	Alexander Street (Book Value)
8,750.00	Powell Street (Book Value)
39,023.66	Goodwill:
34,236.01	
<u>\$ 184,484.71</u>	

T. Malkawa Stores Limited  
Profit and Loss Account

For the four months ended 31st January, 1942

Sales:			
<u>Less: Cash Discounts</u>			
Cost of Sales Inventory: - October 1, 1941	90,233.85		
<u>Purchases:</u>	567.22		
Less Cash Discounts	91,693.49		89,666.63
<u>Less Inventory - January 31, 1942</u>	70,319.37	69,790.57	
	528.80	161,484.06	
Gross Profit - (22%)		<u>92,354.31</u>	69,129.75
<u>Operating Expenses:</u>			20,536.88
Advertising			
Bonus			
Collection charges			
Donations			
Fuel			
Gas			
General Expenses			
Interest			
Insurance			
Light			
Licence			
Neon sign			
Office Supplies			
Trucks and Cars - Operations			
Repairs			
Salaries			
Store Supplies			
Telephone			
Travelling Expenses			
Unemployment Insurance			
Warehouse			
Water rates			
<u>Depreciation:</u>			
Furniture and Fixtures			
Buildings			
Automobiles			
Net Profit on Store and Operations:			
<u>Add: Rentals - Alexander Street</u>	100.51		
Kitchen Operations	275.06		
	<u>553.14</u>	928.71	17,015.95
Less: Reserve for Bad Debts			3,520.93
Net Profit for four months ending January 31, 1942			<u>538.59</u>
Balance Profit and Loss Account - October 1, 1941			4,059.52
Balance Profit and Loss Account - January 31, 1942			<u>3,874.26</u>
to Exhibit 1.			185.26
			<u>2,081.85</u>
			<u>\$ 2,267.11</u>



T. Maikawa Stores Limited  
Particulars of Employees

<u>Name</u>	<u>Reg #</u>	<u>Age</u>	<u>Sex</u>	<u>Date of Birth</u>	<u>Nationality</u>
<u>Directors:</u>					
HAYASHI: Chiyoko	01110	21	Female	November 6, 1920	Canadian
HAYASHI: Kiseku	02771	47	Male	October 20, 1894	Naturalized
MAIKAWA: Tokio	06043	33	Male	March 28, 1908	Canadian
QUE: Hane	03161	51	Male	October 6, 1890	Naturalized
QUE: Shigeru	03152	21	Male	May 20, 1920	Canadian
<u>Employees:</u>					
HAYASHI: Masetsugu	01003	28	Male	June 1, 1913	Canadian
ITO: Shizue	02660	22	Female	March 20, 1919	Canadian
IGUCHI: Masuko	15074	25	Female	April 4, 1916	Canadian
ADACHI: Sumie		21	Female	August 8, 1920	Canadian
KITAMURA: Naotchi	02648	23	Male	June 24, 1918	Canadian
KUROKAWA: George	01001	26	Male	June 11, 1915	Canadian
KONDO: Hideo	01976	20	Male	October 28, 1921	Canadian
KONDO: Toshikazu	02643	26	Male	August 17, 1915	Canadian
MATSUI: Sadao	07811	32	Male	June 19, 1909	Canadian
MURAKAMI: Emiko	02667	20	Female	June 24, 1921	Canadian
WASHIMURA: Shoichi	03164	33	Male	September 20, 1908	Canadian
SATO: Fumiyu	02167	21	Female	April 5, 1920	Canadian
SATO: Miyeko	05656	23	Female	May 28, 1918	Canadian
SHIMADA: Masao	06178	27	Male	January 1, 1915	Canadian
TATSUMI: Kiyoshi	07650	22	Male	July 10, 1919	Canadian
WAKabayashi: Takeo	02655	19	Male	February 24, 1923	Canadian

Evacuated:

MAIKAWA: Bungora

Japanese  
National