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Langley's
LIMITED

ANNUAL REPORT

For the year ended December 31st

1956

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LANGLEY'S LIMITED

(Incorporated under the Ontario Companies Act)

AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

December 31st, 1956

(With comparative balances as at December 31st, 1955)

ASSETS

	Dec. 31st 1956	Dec. 31st 1955
CURRENT:		
Cash on hand and in banks	\$ 67,937.49	\$ 14,473.02
Accounts receivable — trade	2,380.08	2,995.73
Accounts receivable — sundry	7,915.73	4,397.71
Undelivered work at plants and stores	5,322.51	5,737.79
Inventories of materials and supplies as determined and certified by the management and valued at lower of cost or market	20,428.00	19,500.00
TOTAL CURRENT ASSETS	\$103,983.81	\$ 47,104.25
Provision for capital expenditure in 1957 — comprising cash and marketable bonds and shares — at cost less reserve, which is less than market value	\$216,600.00	\$171,600.00
Mortgages receivable	10,182.76	756.81
FIXED:		
Land, buildings, machinery and equipment, at cost	904,216.85	885,053.74
Less: Accumulated depreciation	417,161.49	358,569.24
	<u>\$487,055.36</u>	<u>\$526,484.50</u>
PREPAID AND DEFERRED:		
Prepaid expenses	\$ 7,089.57	\$ 11,097.32
Deferred charges	5,436.86	5,793.65
Expenditure on leasehold premises not yet written off	33,154.53	48,218.00
	<u>\$ 45,680.96</u>	<u>\$ 65,108.97</u>
Organization expenses	nil	\$ 1,228.43
	<u>\$863,502.89</u>	<u>\$812,282.96</u>

To the Shareholders,

LANGLEY'S LIMITED, Toronto, Ontario.

We report that we have audited the books and accounts of your Company and its Toronto Subsidiaries for the year ended November 30th, 1956.

We certify that, in our opinion, the above Balance Sheet and accompanying Statements of Profit and loss and Surplus present fairly the financial position of the Companies as at December 31st, 1956, and the results of their operations for the year ended that date.

Toronto, March 23rd, 1957.

LIABILITIES

	Dec. 31st 1956	Dec. 31st 1955
CURRENT:		
Accounts payable and accrued charges	\$ 17,416.07	\$ 20,658.47
Provision for Income Taxes	4,787.43	2,686.57
TOTAL CURRENT LIABILITIES	\$ 22,203.50	\$ 23,345.04
Provision for dividend earned in accordance with preference share provisions but not payable until declared	\$ 34,800.00	\$ 23,131.00
CAPITAL AND SURPLUS:		
<i>Capital</i>		
Preference — authorized 6,500 shares 5% Cumulative if earned, Par Value \$50.00 each, redeemable at \$100.00.		
Outstanding January 1, 1956.. 4,626 5/25 shares	231,310.00	
Issued in 1956 — (old Common Shares being converted)	13 20/25 shares	690.00
Outstanding December 31, 1956 4,640 shares	\$232,000.00	231,310.00
Common — authorized 20,000 shares of No Par Value		
Outstanding 14,988 Shares	14,988.00	14,988.00
	<u>\$246,988.00</u>	<u>\$246,298.00</u>
<i>Capital Surplus Account</i>	\$226,548.00	\$227,928.00
Reserve for premium of \$50.00 per share on re- demption of preference shares	232,000.00	231,310.00
<i>Earned Surplus Account</i>		
Langley's Limited and wholly owned Sub- sidiaries.		
Balance December 31st, 1956 — Statement of Consolidated Earned Surplus	100,963.39	60,270.92
	<u>\$863,502.89</u>	<u>\$812,282.96</u>

NOTE: Leases of rented premises in effect at December 31st, 1956 obligate the Company to pay rents totalling \$144,150.00 over the terms of the leases.

Financial Statement approved on behalf of the Board J. R. MOONEY, *Director*
G. B. HENNING, *Director*

WELCH, HINTON & WELCH
Chartered Accountants

LANGLEY'S LIMITED
AND SUBSIDIARIES

STATEMENT OF CONSOLIDATED EARNED SURPLUS

Year ended December 31st, 1956

(With comparative figures for 1955)

	1956	1955
Balance at beginning of year	\$ 60,270.92	\$ 49,637.18
<i>Add:</i>		
Net Profit for the year, Langley's Limited and operating Subsidiaries	50,414.40	11,681.37
Profit on disposal of fixed assets	nil	8,138.35
Profit on disposal of securities	3,220.92	nil
Adjustment of prior years taxes	nil	40.02
	<u>\$113,906.24</u>	<u>\$ 69,496.92</u>
<i>Deduct:</i>		
Net provision for dividend earned in accordance with preference share provisions but not payable until declared	11,669.00	9,226.00
Adjustment of previous year's taxes	45.42	nil
Organization Expense written off	1,228.43	nil
	<u>\$ 12,942.85</u>	<u>\$ 9,226.00</u>
Balance at end of year	<u>\$100,963.39</u>	<u>\$ 60,270.92</u>

LANGLEY'S LIMITED
STATEMENT OF CAPITAL SURPLUS

Year ended December 31st, 1956

(With comparative figures for 1955)

	1956	1955
Balance at beginning of year	\$227,928.00	\$170,237.05
<i>Add:</i>		
Surplus from purchase and cancellation of Preference Shares	nil	9,774.95
Transfer from reserve for premium of \$50.00 per share on redemption of Preference Shares	nil	47,314.00
Surplus depreciation on disposal of fixed assets	nil	602.00
	<u>\$227,928.00</u>	<u>\$227,928.00</u>
<i>Deduct:</i>		
Cancellation of old Common Shares	690.00	nil
Transfer to reserve for premium of \$50.00 per share on redemption of Preference Shares	690.00	nil
	<u>\$ 1,380.00</u>	<u>nil</u>
Balance at end of year	<u>\$226,548.00</u>	<u>\$227,928.00</u>

LANGLEY'S LIMITED
AND OPERATING SUBSIDIARIES

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

Year ended December 31st, 1956

(With comparative figures for 1955)

	1956	1955
Net Profit from operations after charging depreciation of \$64,729.60 (1955 = \$70,502.96), and before Income Taxes	\$ 44,225.20	\$ 7,791.32
<i>Add:</i>		
Sundry Income	10,976.63	6,576.62
	<u>\$ 55,201.83</u>	<u>\$ 14,367.94</u>
<i>Deduct:</i>		
Provision for Income Taxes	*4,787.43	*2,686.57
NET PROFIT FOR THE YEAR	<u><u>\$ 50,414.40</u></u>	<u><u>\$ 11,681.37</u></u>

(Carried to Statement of Consolidated Earned Surplus)

*Income Tax is not payable on all of Consolidated Net Profit because of losses sustained in prior years.

Langley's LIMITED

EXECUTIVE OFFICES

Second Street at Lakeshore Road, Toronto 14



Directors

GEORGE S. LANGLEY

J. R. MOONEY

G. B. HENNING

C. E. MOONEY

E. A. STURDEE

Executive Officers

GEORGE S. LANGLEY.....Chairman of the Board
J. R. MOONEY.....President
G. H. HAND.....Secretary
N. W. WHEATLEY.....Treasurer
G. B. HENNING.....General Manager
W. A. SNYDER.....Mgr. Hamilton Plants

OPERATING PLANTS AT THE FOLLOWING LOCATIONS

1534 Danforth Avenue	Toronto
3590 Bloor St. West	Toronto
600 Bayview Avenue	Toronto
738 Lakeshore Road	New Toronto
115 Colborne St. E.	Oakville
504 Lawrence Ave. W.	Toronto
318 Dundurn South	Hamilton
117 Queenston Road	Hamilton
340 Brant St.	Burlington



Transfer Agent and Registrar

NATIONAL TRUST CO. LIMITED
Toronto 1, Ont.



Auditors

WELCH, HINTON & WELCH
Toronto, Ont.