

Langley's
LIMITED

ANNUAL REPORT

For the year ended December 31st

1954

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LANGLEY'S LIMITED

(Incorporated under the Ontario Companies Act)

AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

December 31st, 1954

(With comparative balances as at December 31st, 1953)

ASSETS

CURRENT:	Dec. 31st 1954	Dec. 31st 1953
Cash on hand and in banks	\$ 14,222.95	\$ 51,881.97
Accounts receivable — trade	2,932.83	3,292.73
Accounts receivable — sundry	3,341.14	5,241.38
Undelivered work at plants and stores	7,290.88	7,807.45
Inventories of materials and supplies as determined and certified by the management and valued at lower of cost or market	16,886.81	16,785.40
Life Insurance — cash surrender value	40,623.80	40,058.25
(Paid up value December 31st, 1954, \$51,337.19)		
TOTAL CURRENT ASSETS	\$ 85,298.41	\$ 125,067.18
Cash in banks and securities allocated for reduction of Preference Share Capital and Reorganization expenses	nil	\$ 285,000.00
Provision for capital expenditure in 1955	\$ 125,000.00	100,000.00
Mortgages receivable	11,476.23	12,034.58
Preference Shares of Langley's Limited — held by wholly owned Subsidiary Company — at cost	nil	8,889.50
FIXED:		
Land, buildings, machinery and equipment, including provision for purchase of property under option — at cost	817,622.22	746,720.87
Less: Accumulated depreciation	292,629.59	240,333.69
	\$ 524,992.63	\$ 506,387.18
PREPAID AND DEFERRED:		
Prepaid expenses	\$ 8,570.10	\$ 7,103.25
Deferred charges	5,272.46	3,763.21
Expenditure on leasehold premises not yet written off	66,126.96	61,663.10
	\$ 79,969.52	\$ 72,529.56
Organization expenses	\$ 1,228.43	\$ 1,228.43
	\$ 827,965.22	\$ 1,111,136.43

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 December 31st, 1954, and have accepted the Certificate of the Auditors of Langley's of Hamilton Limited for the year ended November 30th, 1954.

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, 1954, and the results of their operations for the year ended that date.

Toronto, April 4th, 1955.

LIABILITIES

CURRENT:	Dec. 31st 1954	Dec. 31st 1953
Accounts payable and accrued charges	\$ 19,161.69	\$ 22,061.77
Provision for Income Taxes	2,788.30	1,235.00
TOTAL CURRENT LIABILITIES	\$ 21,949.99	\$ 23,296.77
Provision for dividend earned in accordance with preference share provisions but not payable until declared	\$ 13,905.00	nil
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 5,572 12/25 shares	278,624.00	565,700.00
Common — authorized 20,000 shares of No Par Value.		
Outstanding 14,988 shares	14,988.00	219,032.00
	\$ 293,612.00	\$ 784,732.00
<i>Capital Surplus Account</i>	\$ 170,237.05	\$ 258,727.60
Reserve for premium of \$50.00 per share on redemption of preference shares	278,624.00	nil
<i>Earned Surplus Account</i>		
Langley's Limited and wholly owned Subsidiaries.		
Balance December 31st, 1954 — Statement of Consolidated Earned Surplus	49,637.18	44,380.06
	\$ 827,965.22	\$ 1,111,136.43

NOTE: Leases of rented premises in effect at December 31st, 1954, obligate the Company to pay rents totalling \$140,900.00 over the next eight years.

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, 1954
(With comparative figures for 1953)

	1954	1953
Balance at beginning of year	\$ 44,380.06	\$ 20,491.26
<i>Add:</i>		
Net Profit for the year, Langley's Limited and operating Subsidiaries	15,708.97	22,051.13
Profit on disposal of securities	3,453.15	nil
Adjustment of prior years taxes	nil	1,837.67
	<u>\$ 63,542.18</u>	<u>\$ 44,380.06</u>
<i>Deduct:</i>		
Provision for dividend earned in accordance with preference share provisions but not payable until declared	13,905.00	nil
	<u>\$ 49,637.18</u>	<u>\$ 44,380.06</u>

LANGLEY'S LIMITED
AND OPERATING SUBSIDIARIES

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

Year ended December 31st, 1954
(With comparative figures for 1953)

	1954	1953
Net Profit from operations after charging depreciation of \$55,119.90 (1953: \$44,268.10), and before Income Taxes	\$ 11,022.22	\$ 6,270.38
<i>Add:</i>		
Sundry Income	7,475.05	17,015.75
	<u>\$ 18,497.27</u>	<u>\$ 23,286.13</u>
<i>Deduct:</i>		
Provision for Income Taxes	*2,788.30	*1,235.00
NET PROFIT FOR THE YEAR	<u><u>\$ 15,708.97</u></u>	<u><u>\$ 22,051.13</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

STATEMENT OF CAPITAL SURPLUS

Year ended December 31st, 1954
(With comparative figures for 1953)

	1954	1953
Balance at beginning of year	\$258,727.60	\$258,727.60
<i>Add:</i>		
Surplus from cancellation of old Common Shares ...	179,256.00	nil
Surplus from purchase and cancellation of Preferred Shares	10,877.45	nil
	<u>\$448,861.05</u>	<u>\$258,727.60</u>
<i>Deduct:</i>		
Transfer to reserve for premium of \$50.00 per share on redemption of preference shares	278,624.00	nil
Balance at end of year	<u><u>\$170,237.05</u></u>	<u><u>\$258,727.60</u></u>

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



Transfer Agent and Registrar
NATIONAL TRUST CO. LIMITED
Toronto 1, Ont.



Auditors

WELCH, HINTON & WELCH
Toronto, Ont.