

Langley's
LIMITED
CLEANERS - DYERS - FURRIERS

Toronto, Ontario

87
ANNUAL REPORT

December 31st, 1936

TO THE SHAREHOLDERS:

Your Directors have pleasure in placing before you the Balance Sheet and Profit and Loss Account for the Company's fiscal year ending December 31st, 1936. After payment of all operating expenses, but before deductions for Depreciation and Income Taxes, etc., the earnings of the Company are \$67,317.14, compared with \$42,088.66 in the year 1935. Net Earnings carried forward to Earned Surplus are \$28,471.83 after Income Tax and adding \$32,570.66 to the Reserve for Depreciation of Buildings, Machinery and Equipment.

Current Assets are shown at \$161,029.18, not including Cash Surrender Value of Life Insurance of \$24,516.71. Current Liabilities are \$45,730.16.

Sales volume was better than in 1935, reaching a total almost equal to the year 1931, when operating profits before Depreciation and Income Tax amounted to \$88,408.51. However, despite the fact that the number of units handled was 27 per cent in excess of 1931, the dollar volume was slightly less, and the net earnings were considerably less.

By Order of the Board,
GEO. S. LANGLEY,
President.

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LANGLEY'S
AND SUE
Consolidated Balance Sh

ASSETS

Current:

Cash on Hand and in Banks.....	\$	62,478.55	
Accounts Receivable (Less Reserve).....		43,985.61	
Inventories.....		54,565.02	
		\$	161,029.18

Fixed:

Land, Buildings, Plant and Equipment.....	\$	1,218,671.96	
Motor Trucks (Less Reserve).....		20,533.84	
		\$	1,239,205.80

Investments:

Life Insurance Premiums, etc.....	\$	45,678.95	
(Cash Surrender Value, \$24,516.71)			
Mortgage Receivable and Accrued Interest.....		12,276.52	
		\$	57,955.47

Deferred:

Deferred Charges.....		15,592.49	
		\$	<u>1,473,782.94</u>

To the Shareholders,
LANGLEY'S LIMITED,
 Toronto, Ontario.

Gentlemen:

We beg to report that we have audited the books and accounts of your Company and its Subsidiary for the year ended December 31st, 1936, and certify that, in our opinion, the attached Consolidated Balance Sheet is so drawn up as to exhibit a true and correct view of the Companies' position as at December 31st, 1936, according to the best of our information, the explanations given us, and as shown by the books of the Companies, subject to the fact that ten quarterly dividends of Langley's Limited, amounting to \$98,997.50 are in arrears.

We further certify that we have received all the information and explanations that we have required.

WELCH, ANDERSON & COMPANY,
 Chartered Accountants.

March 15th, 1937.

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SSIDIARY

heet, December 31st, 1936

LIABILITIES

Current:

Accounts and Bills Payable and Accrued Liabilities.....	\$ 38,323.41	
Reserve for Federal and Provincial Taxes.....	7,406.75	
		\$ 45,730.16

Reserves for Obsolescence and Depreciation.....		303,560.19
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TO SHAREHOLDERS:

Capital Stock:

Preferred—Authorized 6,000 Shares, 7% Redeemable, Cumulative. Par Value \$100.00 each.....		<u>\$600,000.00</u>
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Issued and Fully Paid, 5,657 Shares. Par Value \$100.00 each.....		\$565,700.00
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Common—Authorized 21,000 Shares. No Par Value. Issued and Fully Paid, 20,793 Shares. No Par Value.		219,032.00
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\$784,732.00

Capital Surplus.....	\$276,700.95		
Earned Surplus.....	63,059.64	339,760.59	1,124,492.59

\$1,473,782.94

PROFIT AND LOSS ACCOUNT

Twelve Months Period Ended December 31st, 1936

Net Operating Profit.....		\$ 64,748.33
Add: Miscellaneous Income, Interest, etc.....		2,568.81

\$ 67,317.14

Deduct: Interest and Exchange.....	\$ 674.49	
Provision for Obsolescence and Depreciation.....	32,570.66	
Directors' Fees.....	400.00	33,645.15

Net Profit for Year Ended December 31st, 1936.....		\$ 33,671.99
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EARNED SURPLUS ACCOUNT

December 31st, 1936

Balance at Credit—December 31st, 1935.....	\$ 44,693.61	
Deduct: Sundry Adjustments Applicable to Prior Years.....	206.05	

\$ 44,487.56

Add: Net Profit from January 1st, 1936, to December 31st, 1936.....		33,671.99
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\$ 78,159.55

Deduct: Dividends Paid on Preferred Stock.....	\$ 9,899.75	
Reserve for Income Taxes.....	5,200.16	15,099.91

Balance at Credit—December 31st, 1936.....		<u>\$ 63,059.64</u>
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BOARD OF DIRECTORS

GEORGE S. LANGLEY, President

C. F. MAYES, General Manager

F. O. MITCHELL

25 King St. W.,
Toronto, Ont.

A. E. HATFIELD

33 Whitehall Rd.,
Toronto, Ont.

S. R. MACKELLAR

21 Melinda St.,
Toronto 2, Ont.