

Langley's
LIMITED

2162

ANNUAL REPORT

For the year ended December 31st

1944

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Langley's

LIMITED

BOARD OF DIRECTORS

S. R. MACKELLAR

C. F. MAYES	B. N. BARRETT
S. G. BENNETT	G. H. HAND

OFFICERS

S. R. MACKELLAR
President

C. F. MAYES Vice-President and General Manager	P. G. SHAY Secretary-Treasurer
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EXECUTIVE OFFICES

253 Spadina Road, Toronto 4

REGISTRAR AND TRANSFER AGENT

National Trust Co. Limited
Toronto 1, Ont

Langley's

LIMITED

TO THE SHAREHOLDERS:

The sixteenth Annual Report showing the Balance Sheet, the Profit and Loss Account and Surplus Accounts for the year ended 31st December, 1944, and report of your auditors, are submitted herewith. These reports do not include figures of the subsidiary company, Langley's of Hamilton Limited, mention of which will be made later.

Operating profit for the year before depreciation was \$12,742.65, compared with \$36,168.98 for the preceding year. Net results show a loss of \$22,793.35, compared with a loss of \$1,378.49 for the previous year.

The following is a summary of the working capital position for the last four years, 1944 showing the most satisfactory position in this regard since the founding of the Company:

	1944	1943	1942	1941
Cash and government bonds.....	\$144,962	\$123,290	\$106,454	\$114,118
Accounts receivable, cash surrender value of life insurance, and inventories.....	134,217	141,874	175,711	125,780
Total Quick Assets.....	\$279,179	\$265,164	\$282,165	\$239,898
Current liabilities.....	32,634	32,359	71,672	55,935
Net Working Capital.....	\$246,545	\$232,805	\$210,492	\$183,963

The year under review continued to present many serious problems due to war conditions. Some of these problems, such as price ceilings, gasoline and labour shortage, will doubtless remain with us for several months after complete victory. Higher costs may be offset by increased volume, but many service industries such as ours have been unable to obtain sufficient labour at the seasonal peaks of business. In the past it has been customary to increase our staff about 40 per cent in the period from 15th March to 1st November, but our inability to do so during these busy months has resulted in a heavy loss of business.

Plans are now under way to further increase our efficiency and production without increasing personnel. When the plant again operates at capacity, the result of these changes will become more apparent, and the Company will be in the best position in its history from both the viewpoint of operating efficiency and working capital.

Your Directors are proud of the fact that 53 employees have joined the Armed Forces since the outbreak of war, a list of whom is given on the last page of this report.

Langley's of Hamilton fiscal year ends 28th February, 1945. Present earnings figures indicate the Company will show a small loss. Somewhat similar conditions have been experienced as by the parent Company, although not to the same extent.

Your Directors wish to record their appreciation of the loyalty and efficient services rendered by the executive and employees of the Company, during a very trying year.

Submitted on behalf of the Board of Directors.

S. R. MACKELLAR,
President

March 5th, 1945

LANGLEY'S

(Incorporated under The

AND SUBSIDIARIES

OTHER THAN LANGLEY'S OF HAMILTON

CONSOLIDATED

December 31, 1944

(With comparative balance sheet for 1943)

	ASSETS	
CURRENT:	1944	1943
Cash on hand and in banks.....	\$ 44,962.45	\$ 23,290.93
Dominion of Canada bonds..... (Market value Dec. 31st, 1944, \$100,437.50)	100,000.00	100,000.00
Accounts receivable, less reserve.....	9,218.40	9,462.94
Department of Munitions and Supply.....	7,700.00
Langley's of Hamilton Limited.....	15,475.16	14,604.30
Accrued storage charges and undelivered work.	27,473.05	40,708.58
Inventories of materials and supplies, as determined and certified by the management and valued at the lower of cost or market....	40,797.97	44,124.05
Life insurance—cash surrender value..... (Paid-up value Dec. 31st, 1944, \$49,063.78)	33,552.60	32,973.71
TOTAL CURRENT ASSETS.....	\$ 279,179.63	\$ 265,164.51
INVESTMENT in Langley's of Hamilton Limited.	\$ 125,000.00	\$ 125,000.00
SHARES OF COMPANY—held by subsidiary company—at cost.....	\$ 10,041.50	\$ 10,041.50
FIXED:		
Land, buildings, machinery and equipment based upon an appraisal made in 1929 by the Dominion Appraisal Co. Ltd., with subsequent additions at cost.....	\$1,171,978.97	\$1,197,102.92
Less: Reserve for depreciation.....	501,654.41	475,081.57
	\$ 670,324.56	\$ 722,021.35
DEFERRED AND PREPAID:		
Insurance, etc.....	\$ 5,240.47	\$ 5,011.22
Expend. on leasehold premises not yet written off.	4,958.80	3,227.51
Expend. on plant alterations not yet written off....	16,653.55	10,170.00
	\$ 26,852.82	\$ 18,408.73
	\$1,111,398.51	\$1,140,636.09

AUDITORS' REPORT TO

We beg to report that we have audited the books and accounts of your Company and 1944, and hereby certify that the annexed Balance Sheet is, in our opinion, drawn up so as to express a true and correct view of the financial position of the Company at the end of the year according to the best of our information and the explanations given us and as shown by the books amounting to \$342,248.50, are in arrears and that no profit has been taken up for Langley's of Hamilton for the year ended December 31, 1944.

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

S LIMITED

(Ontario Companies Act)

SUBSIDIARIES

Hamilton Limited SHOWN AS INVESTMENT

BALANCE SHEET

December 31st, 1944

Comparison as at December 31st, 1943)

	LIABILITIES	
CURRENT:	1944	1943
Accounts payable and accrued charges.....	\$ 32,634.39	\$ 32,359.21
	<u>\$ 32,634.39</u>	<u>\$ 32,359.21</u>
CAPITAL AND SURPLUS:		
Capital:		
Preference—6,000 7% redeemable, cumulative Preference shares of \$100.00 each authorized; 5,657 shares outstanding.....	\$ 565,700.00	\$ 565,700.00
(Note.—7% cumulative dividends in arrears: December 31st, 1944, \$342,248.50 December 31st, 1943, \$302,649.50.)		
Common—21,000 Common shares of no par value authorized; outstanding, 20,793 shares.....	219,032.00	219,032.00
Capital Surplus Account.....	254,499.22	261,406.13
Earned Surplus Account.....	39,532.90	62,138.75
	<u>\$1,078,764.12</u>	<u>\$1,108,276.88</u>
	<u>\$1,111,398.51</u>	<u>\$1,140,636.09</u>

THE SHAREHOLDERS

Hamilton Limited and its Subsidiaries other than Langley's of Hamilton Limited for the year ended December 31st shall exhibit a true and correct view of the state of the Companies' affairs as at December 31st, 1944 as shown in the books of the Companies, subject to the fact that Preference dividends of Langley's Limited are shown in the books of Hamilton Limited for the period during which this subsidiary has been operating. The books of Hamilton Limited for the period during which this subsidiary has been operating, shall be open for inspection and copying by the shareholders of Hamilton Limited at all reasonable times.

WELCH, ANDERSON & COMPANY,
Chartered Accountants

LANGLEY'S LIMITED

(Incorporated under The Ontario Companies Act)

AND SUBSIDIARIES

OTHER THAN LANGLEY'S OF HAMILTON LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT

Year Ended December 31st, 1944

(With a comparative account for the year ended December 31st, 1943)

	1944	1943
Net profit from operations for the year, after charging directors' fees and before depreciation.....	\$ 9,125.23	\$29,627.84
Sundry income, less sundry deductions.....	3,617.42	6,541.14
	<u>\$12,742.65</u>	<u>\$36,168.98</u>
Deduct:		
Provision for depreciation of automobiles and trucks.....	\$ 4,702.00	\$ 6,441.00
Provision for depreciation of buildings, machinery and equipment.....	30,834.00	31,106.47
	<u>\$35,536.00</u>	<u>\$37,547.47</u>
NET LOSS for year— carried to Earned Surplus.....	<u>\$22,793.35</u>	<u>\$ 1,378.49</u>

CONSOLIDATED EARNED SURPLUS ACCOUNT

December 31st, 1944

(With a comparative account for the year ended December 31st, 1943)

	1944	1943
Balance at CREDIT—at beginning of year.....	\$62,138.75	\$81,412.80
Add: Profit on disposal of fixed assets or bonds.....	187.50	413.75
	<u>\$62,326.25</u>	<u>\$81,826.55</u>
Deduct:		
Loss for the year.....	\$22,793.35	\$ 1,378.49
Dividend paid on Preferred stock.....		16,971.00
Loss on disposal of fixed assets.....		1,338.31
	<u>\$22,793.35</u>	<u>\$19,687.80</u>
Balance at CREDIT—at end of year.....	<u>\$39,532.90</u>	<u>\$62,138.75</u>

CAPITAL SURPLUS ACCOUNT

December 31st, 1944

(With a comparative account for the year ended December 31st, 1943)

	1944	1943
Balance at CREDIT—at beginning of year.....	\$261,406.13	\$244,220.71
Add: Surplus on transfer of fixed assets to Langley's of Hamilton Limited.....		17,185.42
	<u>\$261,406.13</u>	<u>\$261,406.13</u>
Deduct: Loss on sale of fixed assets.....	6,906.91	
Balance at CREDIT—at end of year.....	<u>\$254,499.22</u>	<u>\$261,406.13</u>

T O R O N T O

CASH and CARRY STORES

1200 Bay Street	471 Parliament Street
977 Bloor Street West	1500 Queen Street West
2368 Bloor Street West	2024 Queen Street East
122A Carlton Street	175 Roncesvalles Avenue
487½ Church Street	515 St. Clair Avenue West
376 College Street	1222 St. Clair Avenue West
541 Danforth Avenue	14 Temperance Street
1990 Danforth Avenue	92½ Yonge Street
2925 Dundas Street West	757 Yonge Street
450 Eglinton Avenue West	1475 Yonge Street
982 Kingston Road	2478 Yonge Street
609 Mount Pleasant Road	3404 Yonge Street
	253 Spadina Road

HEAD OFFICE AND WORKS

253 Spadina Road, Toronto 4

Langley's
LIMITED

Members of
Langley's Limited

Who Have Volunteered for Active Service
with
Canada's Fighting Forces



FRED BARGETT
MATTHEW BROWN
DONALD BURGESS
NORMA BURKE
DONALD BURNS
DORIS CLARKE
LORRAINE CLEMENSON
WILLIAM CONTI
CHARLES CURRY
ELMER DAME
RAE EGO
WILLIAM EGO
ROBERT EKINS
PERCY FOSTER
EARL FREELAND
LESLIE GOLDTHORP
EDWARD HIGGINS
HAROLD HILTON
RETA HURD
WILLIAM KENWELL
ROBERT LAKE
ALFRED LEWIS
DORIS LOTTO
HENRY LOWTHER
BASIL McDONALD
ORVAL McKEOUGH

EDWARD McKERAN
JAMES McPHAIL
AGNES MAIN
ERNEST MARSH
ALIDA OVERWATER
VIVIAN PADDON
REGINALD PEARCE
ANNE PERRIN
JAMES PORTER
W. W. PORTER
YVONNE POWER
HELEN RENFREW
DOUGLAS ROBB
JOHN ROXBOROUGH
JACK SAGE
ALBERT SCRIVER
CHARLES SINGER
EDWARD SMITH
JAMES G. SOUTER
GEORGE SPEED
EMIL STANDNYK
ALBERT STEHLING
WILLIAM SUTHERLAND
LAWRENCE TENUTE
LEONARD TURNBULL
STANLEY YOUNG

PRISONER OF WAR
DONALD G. SOUTER

