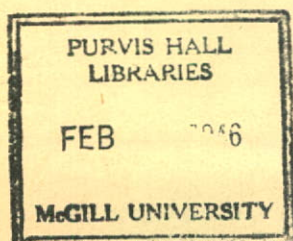


**International Metal Industries  
Limited**

**ANNUAL REPORT**

*Year Ended December 31st*

**1936**





International Metal Industries Limited

# Annual Report

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*Including*

REPORT OF DIRECTORS TO THE SHAREHOLDERS  
CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE  
CONSOLIDATED SURPLUS ACCOUNT  
and  
CONSOLIDATED BALANCE SHEET

•

YEAR ENDED  
DECEMBER 31ST, 1936

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*Executive Offices*  
101 HANSON STREET, TORONTO

TO THE SHAREHOLDERS:

The Directors present herewith the consolidated statements of income and expenditure and surplus of the Company and its subsidiaries for the year ended 31st of December, 1936, together with the consolidated balance sheet and the auditors' report thereon, all of which are presented in the form required by the Dominion Companies Act.

The operations for the year show a profit of \$351,365.06 as compared with a loss of \$606,530.59 for the previous year. This result is after providing for depreciation and all other charges including Income Taxes of \$81,140.15, and also includes \$69,384.71 representing income from and profit on sale of securities, and when reduced by the deficit at the beginning of the year, leaves a surplus of \$134,561.91 as shown on the balance sheet.

As indicated in last year's report, the reorganization at the Conshohocken plant was not completed until 1936 and therefore, the operations during the early months of that year did not receive the full benefit of the cost reductions derived therefrom and they were also affected by competitive price situations in some of the major lines.

However, as anticipated, there was a substantial increase in the volume of business transacted and this, together with a betterment during the second half in selling prices and operating efficiency enabled the Company to obtain the improved showing for the year.

During the year bank loans of \$500,000 were paid off through the sale of securities and the Company's net working capital was increased from \$3,499,284.83 to \$3,827,235.76, represented by current assets of \$4,399,493.58 less current liabilities of \$572,257.82.

The operations of the Company during the first quarter of 1937 have continued to show a substantial improvement as to volume and as this increased business would have necessitated capital expenditures at the Conshohocken plant, your Directors deemed it preferable to reopen the plant at Muskegon, Michigan, which will be used in the production of the various service station equipment lines including gasoline pumps, grease and lubricating equipment, etc.

The items on the balance sheet and the operations of the Company will be dealt with in detail at the Annual Meeting to be held April 30th.

By order of the Board,

A. L. ELLSWORTH,  
*President.*

Toronto, April 15th, 1937.



# International Metal Industries Limited

AND ITS SUBSIDIARIES

## CONSOLIDATED STATEMENT OF INCOME AND EXPENDITURE FOR YEAR ENDED 31ST DECEMBER, 1936

Net Operating Profit before provision for Depreciation and Income Taxes, etc., as set out below.....	\$660,841.76
Provision for Depreciation.....	\$113,847.12
Provision for Income Taxes.....	81,140.15
Remuneration of Executive Officers, including managers of plants and branches.....	78,598.87
Legal and Patent Attorney's Fees.....	25,275.27
Provision for Contingencies.....	80,000.00
	<u>378,861.41</u>
	\$281,980.35
Income from Investments.....	\$ 20,627.95
Profit on sale of securities including adjustment of reserve.....	48,756.76
	<u>69,384.71</u>
Profit for the year transferred to Consolidated Surplus Account.....	<u>\$351,365.06</u>

*Note:* No Directors' fees have been paid.

## CONSOLIDATED SURPLUS ACCOUNT FOR YEAR ENDED 31ST DECEMBER, 1936

Deficit, 1st January, 1936.....	\$216,803.15
Less: Net Profit for year.....	<u>351,365.06</u>
Surplus, 31st December, 1936.....	<u>\$134,561.91</u>

# INTERNATIONAL METAL INDUSTRIES LIMITED

(Incorporated under the laws of the Province of Ontario)

AND ITS SUBSIDIARIES

## CONSOLIDATED BALANCE SHEET

### ASSETS

#### CURRENT:

Cash on hand and in banks.....	\$ 490,577.18
Marketable securities at market value and accrued interest.....	115,236.59
Bills and accounts receivable less reserve.....	1,268,223.40
Inventories as determined and certified by the management and valued at the lower of cost or market value.....	2,525,456.41

\$4,399,493.58

#### DEFERRED CHARGES AND OTHER ASSETS:

Other Assets less Reserves.....	\$ 39,755.06
Mortgage Receivable.....	30,000.00
Advances and Prepaid Expenses.....	30,255.03
Cost of special plant alterations and engineers' expenses deferred.....	118,145.50

218,155.59

#### FIXED:

Land, Buildings, Plant and Equipment written down to less than cost at 1st January 1933, with subsequent additions at cost.....	\$1,896,693.46
Less: Reserves for Depreciation.....	367,987.90

1,528,705.56

#### PATENTS, RIGHTS AND LICENSES.....

1.00

\$6,146,355.73

### AUDITORS' REPORT TO SHAREHOLDERS

We have examined the above consolidated balance sheet as at 31st December, 1936, in which assets and liabilities of subsidiaries in the United States are included at par of exchange. Subject thereto we report that in our opinion it is drawn up so as to exhibit a true and correct view of the state of the affairs of International Metal Industries Limited and its subsidiaries as at 31st December, 1936, according to the best of our information, the explanations given us and as shown by the books of the companies. We have received all the information and explanations we have required.

Toronto, Canada, 1st April, 1937.

CLARKSON, GORDON, DILWORTH & NASH,  
Chartered Accountants.

# L INDUSTRIES LIMITED

(Dominion Companies Act)

SUBSIDIARIES

SHEET, 31ST DECEMBER, 1936

## LIABILITIES

### CURRENT:

Accounts Payable and Accrued Charges.....	\$ 473,597.82	
Reserve for Income and Other Taxes.....	98,660.00	
		\$ 572,257.82

RESERVE FOR CONTINGENCIES .....		125,000.00
OUTSTANDING DEBENTURES OF A SUBSIDIARY.....		79,000.00

### CAPITAL:

#### Authorized:

32,611 Shares 6% Cumulative Convertible Preference (Par Value \$100—Redeemable at \$105 and accrued interest on 60 days' notice)

14,950 Shares 6% Cumulative Convertible Preference Series "A" (Par Value \$100—Redeemable at \$105 and accrued interest on 60 days' notice)

Common Class "A"

300,000 Shares (No Par Value)

Common Class "B"

50,000 Shares (No Par Value)

Issued (less 2,355 Preference Shares redeemed and cancelled):

30,821 shares 6% Cumulative Convertible Redeemable Preference.....\$3,082,100.00

14,385 Shares 6% Cumulative Convertible Redeemable Preference—Series "A"..... 1,438,500.00

188,312 Shares Common Class "A" }  
50,000 Shares Common Class "B" } 714,936.00

\$5,235,536.00

Dividends are in arrears on the Preference and Preference Series "A" Shares to the extent of 27¾%.

EARNED SURPLUS..... 134,561.91

5,370,097.91

### CONTINGENT LIABILITY:

Instalment notes discounted \$70,727.18. \$6,146,355.73

Approved on behalf of the Board.

A. L. ELLSWORTH, Director.

H. R. TUDHOPE, Director.

# SUBSIDIARY MANUFACTURING

*Operating in Canada*

## **Hostess Corporation Limited**

TORONTO      MONTREAL      MONCTON      WINNIPEG  
                 CALGARY              VANCOUVER

HOSTESS ELECTRIC REFRIGERATORS

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## **Fess Oil Burners of Canada Limited**

TORONTO      MONTREAL      WINNIPEG      VANCOUVER

FESS DOMESTIC OIL BURNERS AND  
COMMERCIAL OIL HEATING EQUIPMENT

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## **Service Station Equipment Co. Limited**

TORONTO      MONTREAL      MONCTON      WINNIPEG  
                 CALGARY              VANCOUVER

A COMPLETE LINE OF OIL TRADE EQUIPMENT  
Including  
AIR COMPRESSORS, OIL AND GREASE EQUIPMENT,  
COMPUTING, METER AND CLEAR VISION  
GASOLINE PUMPS, TIREFLATORS, Etc.

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## **Canadian John Wood Manufacturing Co. Limited**

TORONTO      MONTREAL      MONCTON      WINNIPEG  
                 CALGARY              VANCOUVER

A WIDE RANGE OF SHEET METAL PRODUCTS  
Including  
RANGE BOILERS, PNEUMATIC AND FUEL OIL TANKS,  
UNDERGROUND STORAGE TANKS, BARRELS,  
MILK AND ICE CREAM CANS, DRUMS, Etc.

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## **Canadian John Wood (Vancouver) Limited**

VANCOUVER, B.C.

RANGE BOILERS, DRUMS, TANKS, Etc.



# AND SALES COMPANIES

*Operating in the United States*

## **John Wood Manufacturing Company Inc.**

CONSHOHOCKEN, PA.      CHICAGO, ILL.      RICHMOND HILL, N.Y.

Divisional Offices Located in Principal American Cities

GAS AND ELECTRIC HOT WATER HEATERS,  
RANGE BOILERS, PNEUMATIC AND FUEL  
OIL TANKS, UNDERGROUND STORAGE  
TANKS, DRUMS, Etc.

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## **Service Station Equipment Co. (Delaware)**

CONSHOHOCKEN, PA.      MUSKEGON, MICH.

Divisional Offices Located in Principal American Cities

A COMPLETE LINE OF OIL TRADE EQUIPMENT  
Including  
LUBRICATING AND GREASE EQUIPMENT, TIREFLATORS,  
COMPUTING AND METER GASOLINE PUMPS,  
AIR COMPRESSORS, Etc.

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## **Superior Metal Products Company**

ST. PAUL, MINN.

MILK AND ICE CREAM CANS  
AND OTHER DAIRY PRODUCTS

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## **Super Stoker Inc.**

CONSHOHOCKEN, PA.

AUTOMATIC COAL STOKERS  
AND COAL BURNING EQUIPMENT

## *Board of Directors*

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A. L. ELLSWORTH	- - - - -	Toronto, Ont.
H. R. TUDHOPE	- - - - -	Toronto, Ont.
H. W. KNIGHT	- - - - -	Toronto, Ont.
W. E. MAUN	- - - - -	Conshohocken, Pa.
M. H. FELDMAN	- - - - -	Conshohocken, Pa.
J. B. BALMER	- - - - -	Toronto, Ont.

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## *Officers*

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### *President*

A. L. ELLSWORTH, Toronto, Ont.

### *Vice-President and General Manager*

W. E. MAUN, Conshohocken, Pa.

### *Secretary, Treasurer and Comptroller*

H. J. WESLEY, C.A., Conshohocken, Pa.

### *Assistant Secretary*

T. H. GIBSON, C.A., Toronto, Ont.

### *Transfer Agent and Registrar*

CHARTERED TRUST & EXECUTOR COMPANY  
Toronto, Ont.



