

Canadian Bronze Company, Limited

Montreal, Canada



Annual Report
1943

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CANADIAN BRONZE COMPANY, LIMITED

and

Wholly Owned Subsidiary Companies

MONTREAL BRONZE, LIMITED

NORTHWESTERN BRASS, LIMITED

ST. THOMAS BRONZE COMPANY, LIMITED

DIAMOND BRONZE COMPANY INC.

WINNIPEG BRASS LIMITED

NATIONAL BRONZE COMPANY, LIMITED

Established 1896

CANADIAN BRONZE COMPANY,
LIMITED

DIRECTORS

ROSS H. McMASTER	JOSEPH A. KILPATRICK
ALBERT E. DYMENT	H. CARSON FLOOD
RICHARD O. JOHNSON	WILFRID GAGNON
AUBREY H. ELDER, K.C.	SAMUEL J. HUNGERFORD

WILLIAM L. BAYER

EXECUTIVE OFFICERS

W. L. BAYER, *President and Managing Director.*
A. H. ELDER, K.C., *Vice-President.*
R. J. KING, *Treasurer.*
W. C. PAQUETTE, *Secretary.*

Solicitors

WAINWRIGHT, ELDER & LAIDLEY

Executive Offices

999 DELORIMIER AVENUE - MONTREAL



CANADIAN BRONZE COMPANY, LIMITED

TO THE SHAREHOLDERS:

Your Directors take pleasure in presenting a Consolidated Income Account and Balance Sheet showing the results of the past year's business and the financial position of your Company and its wholly-owned subsidiaries as at December 31, 1943.

The tempo of your Company's activities closely paralleled that of the previous year. The volume of business done established another high record with an increase of 15.76% in gross sales. To a large extent this increase again represented a contribution to Canada's war effort.

Improvement in your Company's financial position in relation to this large volume of business is naturally restricted by war-time taxation. The amount of \$470,000 was appropriated for Income and Excess Profits taxes, or \$49,350 more than in 1942, after allowance for the additional charge to Surplus Account of \$20,000 for the latter year.

Gross operating profits at \$820,070.73, a reduction of \$5,302.80 as compared with 1942, permitted, after taxes and depreciation, the carrying forward of a net profit of \$205,838.15. After provision for the regular \$5 a share preferred dividend and payment of the regular \$1.50 a share plus an extra of \$0.50 on the common stock, there remained a net surplus of \$8,338.15 from the year's operations.

Net current assets, including \$332,142.50 of marketable securities, stand at \$928,787.25 as compared with \$890,492.66 in 1942.

It is worth noting that with the year's credit of \$64,000, the refundable portion of the Excess Profits tax now stands on the books at \$94,400.

While it has been necessary to make some additions to plant because of the more diversified demands on production occasioned by the war, it is felt that the switch-back to peacetime conditions when it does come will be accomplished with a minimum of expense and inconvenience.

Monthly meetings of your Board of Directors were held throughout the year. The books of your Company have been audited regularly and the certificate of the Auditors appears herewith.

Your Directors again desire to express their appreciation of the efficient work and loyal cooperation of the employees in these trying times.

By Order of the Board,

W. L. BAYER,
President.

CANADIAN BRONZE

AND WHOLLY OWNED

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS

Cash (including \$31,530.19 U.S. Funds).....	214,754.97	
Accounts Receivable—Less Reserve	682,927.01	
Inventories:		
<small>Certified to by Officers of the Companies as having been determined by actual count or weight and priced at the lower of cost or market.</small>		
Raw Material, Goods in Process and Finished Stock.....	517,096.06	
Less—Raw Material held for Customers' Account.....	99,810.72	417,285.34
		<u>1,314,967.32</u>

INVESTMENTS:

<i>Marketable Securities—</i>		
Government Bonds and Corpora- tion Shares at Cost—less Re- serve	302,302.58	
(Quoted Market Value—\$332,142.50)		
<i>Non-Marketable Securities—</i>		
Guaranteed First Mortgage Cer- tificates at Cost—less Reserve ..	20,000.00	
	<u>322,302.58</u>	
Revenue accrued to date.....	616.44	322,919.02

LIFE INSURANCE POLICIES..... 1.00

Cash Surrender Value as at 31st December
1943—\$13,139.25

DEFERRED CHARGES TO OPERATIONS..... 4,767.50

REFUNDABLE PORTION OF EXCESS PROFITS TAX
(ESTIMATE)..... 94,400.00

FIXED ASSETS:

Land, Buildings, Machinery and Tools, Plant, Patterns, Office Furniture and Fixtures. Valued on the basis of appraisals made on 30th April 1934 and 13th October 1934 by the Canadian Appraisal Company, Limited with additions since the dates of these appraisals at cost.....	1,679,372.71	
Less—Reserves for Depreciation.....	965,195.23	714,177.48
		<u>714,177.48</u>

CONTRACTS, RIGHTS, PATENTS AND GOODWILL.... 1.00

\$2,451,233.32

COMPANY, LIMITED

SUBSIDIARY COMPANIES

as at 31st December 1943

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable and Accrued Expenses	278,172.70	
Dividends Payable 1st February 1944—		
On Preference Shares	9,375.00	
On Common Shares	70,000.00	79,375.00
		<hr/>
Bank Loan for Victory Bonds	125,000.00	
Income and Excess Profits Taxes	475,856.01	
Less—Paid on Account	262,315.20	213,540.81
		<hr/>
Sales Tax Payable	22,850.50	718,939.01
		<hr/>

INSURANCE RESERVE 15,985.49

INVENTORY RESERVE 52,287.33

5% CUMULATIVE REDEEMABLE PREFERENCE STOCK:

Authorized

15,000 shares of \$100.00 Par Value \$1,500,000.00

Issued and Fully Paid

7,500 shares 750,000.00

COMMON STOCK AND SURPLUS:

Common Stock—without Nominal or Par Value

Authorized—100,000 shares.

Issued and Fully Paid—80,000 shares 197,395.24

Earned Surplus—as per attached statement 622,226.25

Special Surplus—

Refundable Portion of Excess Profits

Tax—

Balance as at 31st December 1942 30,400.00

Amount in respect of 1943 64,000.00 94,400.00 914,021.49

\$2,451,233.32

Approved on behalf of the Board,

R. H. McMASTER }
W. L. BAYER } *Directors.*

AUDITORS' REPORT

TO THE SHAREHOLDERS,

CANADIAN BRONZE COMPANY, LIMITED, MONTREAL.

We have examined the books and accounts of Canadian Bronze Company, Limited, and its wholly Owned Subsidiary Companies for the year ended 31st December 1943, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

(Signed) McDONALD, CURRIE & CO.,

Chartered Accountants.

MONTREAL, 3rd February 1944.

CANADIAN BRONZE COMPANY, LIMITED

and

Wholly Owned Subsidiary Companies

Consolidated Statement of Profit and Loss for the year ended 31st December 1943

OPERATING PROFITS:

From Subsidiary Companies	820,070.73		
Less—Provision for Depreciation of Fixed Assets	109,824.11		
Provision for Income and Excess Profits Taxes	470,000.00		
Legal Fees	929.76		
Directors' Fees	5,089.76		
Salaries and Fees of Executive Officers	39,440.24	625,283.87	194,786.86
		<hr/>	
NET REVENUE:			
From Investments, Commission and Rentals			11,051.29
			<hr/>
NET PROFITS FOR THE YEAR			205,838.15
Deduct—Dividends Paid and Payable—			
Preference	37,500.00		
Common	160,000.00		197,500.00
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BALANCE OF NET PROFITS FOR THE YEAR:			
Transferred to Consolidated Statement of Earned Surplus			\$ 8,338.15
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Consolidated Statement of Earned Surplus for the year ended 31st December 1943

BALANCE AT CREDIT AS AT 31ST DECEMBER 1942	633,888.10
Deduct—Appropriation for additional Income and Excess Profits Taxes in respect of prior year	20,000.00
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	613,888.10
Add—Balance of Net Profits for the Year	8,338.15
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BALANCE AT CREDIT AS AT 31ST DECEMBER 1943	<u>\$622,226.25</u>

CANADIAN BRONZE COMPANY,
LIMITED

Works located at

MONTREAL, QUEBEC
ST. THOMAS, ONTARIO
WINNIPEG, MANITOBA
CALGARY, ALBERTA
LYNDONVILLE, VERMONT

Transfer Agents:

THE ROYAL TRUST COMPANY
MONTREAL and TORONTO

Registrars:

THE TORONTO GENERAL TRUST CORPORATION
MONTREAL and TORONTO



