

# Russell Motor Car Company, Limited

---

REPORT OF THE BOARD OF DIRECTORS

## ANNUAL MEETING

OCTOBER 28th, 1921

---

TO THE SHAREHOLDERS:

The Report herewith submitted covers the operations of the Company for the year ending July 31st, 1921.

As reported last year, the activities of the Company are now represented through ownership of stock in the following Companies—

Canada Cycle & Motor Company, Limited, Weston.

Russell Motor Car Company, Incorporated, Buffalo, N.Y.

Russell Gear & Machine Company Limited, Toronto.

Willys-Overland Limited, Toronto.

### CANADA CYCLE & MOTOR COMPANY, LIMITED

This Company enjoyed its most profitable business period during its financial year which ended December 31st, 1920, and has declared a dividend of Seven (7%) per cent per annum, payable half on October 31st and half on January 31st, next.

During 1921 the Bicycle Business has, due to general conditions, suffered considerable shrinkage in volume, and the results of the present year will not compare favourably with those of a year ago.

### RUSSELL MOTOR CAR COMPANY, INCORPORATED, BUFFALO, N.Y.

This Company was organized solely for the purpose of carrying out certain contracts for Munitions of War, which contracts have all been successfully completed. It has ceased manufacturing operations, disposed of its plant and equipment and is in process of liquidation.

The present assets of Russell Motor Car Company, Incorporated, include this Company's former holdings of stock in Willys-Overland Limited, also Victory Bonds to the value of Seven Hundred and Fifty Thousand (\$750,000.00) dollars and one unsettled claim with the United States Navy which it has been unable to settle through negotiations and regarding which, on advice of our United States Attorneys, a suit is now pending in the Court of Claims of the United States.

### WILLYS-OVERLAND LIMITED

The past fifteen months have been exceedingly difficult in the Motor Car business and Willys-Overland Limited has had to take severe losses in reduction of its inventories and also through the decline in its volume of business. These difficulties had to be faced at the same time that the Company was putting two new Models on the market, and, as a result, 1920 and 1921 have been trying years. We are glad to be able to report that these Models have now been proven on both the United States and the Canadian markets and if the Motor business revives in the coming year, Willys-Overland Limited will be in position to go on producing two Models which have been thoroughly tested and whose merits are now widely appreciated.

### RUSSELL GEAR & MACHINE COMPANY, LIMITED

As mentioned in last year's Report, the business of this Company is mainly in the manufacture of Motor Car Parts, Bicycle Chains, Spark Plugs and Gramophone Motors. No new lines have been added during the current year, as conditions have not been favorable for the development of new business. As yet we have considerable machine equipment in excess of that required for the Company's manufacturing operations, and it will be our policy either to dispose of same when business shows signs of revival, or take on additional lines of manufacture.

PURVIS HALL  
LIBRARIES

MAR 9 1946

McGILL UNIVERSITY

## RESULTS

Our main income during the past year has been derived from a dividend of Seven (7%) per cent on the Capital Stock of Canada Cycle & Motor Company, Limited, for the year ending December 31st, 1919, and a dividend of Five (5%) per cent on the Capital Stock of Russell Motor Car Company, Incorporated, Buffalo, N.Y.

We have made appropriations which were considered necessary to provide against reasonable contingencies of the business. We have also made provision for estimated Dominion Income Taxes. After making these provisions, the Profit and Loss Account is as follows:—

### STATEMENT OF PROFIT AND LOSS, JULY 31st, 1921

Balance brought forward, July 31, 1920 .....		\$1,053,494.00
Net Gain for year ending July 31, 1921 .....		158,124.13
(Provision having been made for Income Tax, Directors' Fees and other Contingencies.)		
Dividend on Preferred Shares for year ending July 31, 1921 .....	\$ 84,000.00	
Dividend on Common Shares for year ending July 31, 1921 .....	56,000.00	
Balance carried forward .....	1,071,618.13	
	<u>\$1,211,618.13</u>	<u>\$1,211,618.13</u>

During the year, regular quarterly dividends at the rate of Seven (7%) per cent per annum were paid upon the Preferred and Common Stock of the Company.

The Statement of Assets and Liabilities as of July 31st, 1921, is herewith submitted.

The Accounts of the Company have been duly audited and certified to by Messrs. Edwards, Morgan & Company, Chartered Accountants.

All of which is respectfully submitted.

LLOYD HARRIS,  
President.

T. A. RUSSELL,  
Vice-President.

# RUSSELL MOTOR CAR COMPANY, LIMITED

*Balance Sheet, July 31st, 1921*

## ASSETS

Cash on Hand and in Bank .....	\$ 2,969.29	
English, Scottish & Australian Bank, Ltd. ....	50,671.15	
Accounts and Bills Receivable .....	487,872.83	
Investments in other Companies .....	3,464,793.85	\$4,006,307.12
	54,583.25	
Real Estate and Buildings .....	437.69	
Office Furniture and Fixtures .....	\$ 55,020.94	
	2,373.12	52,647.82
Less Depreciation .....		\$4,058,954.94

## LIABILITIES

Bankers' Advances .....	\$ 320,000.00	
Accounts and Bills Payable .....	79,947.05	
(Including Provision for War Tax)		
Dividends, Declared and Unpaid .....	35,000.00	\$ 434,947.05
	216,075.50	
Contingent Account .....	336,314.26	
Buildings, Investments and Insurance Reserves .....		
Capital Stock—Preferred .....	\$1,200,000.00	
Common .....	800,000.00	2,000,000.00
	\$2,987,336.81	
Profit and Loss Account .....	1,071,618.13	\$4,058,954.94
		\$4,058,954.94

We have audited the books of the Russell Motor Car Company, Limited, for the year ending July 31st, 1921, and we certify that our requirements as Auditors have been complied with.

We also certify that the annexed Balance Sheet is in accord with the books and, in our opinion, correctly states the position of the Company on that date.

Sept. 19th, 1921.

(SGD.) EDWARDS, MORGAN & CO.,  
Chartered Accountants.

1921  
ANNUAL REPORT

---

RUSSELL MOTOR CAR  
COMPANY, Limited

Head Office - - - TORONTO

---

DIRECTORS :

LLOYD HARRIS, ESQ., PRESIDENT  
T. A. RUSSELL, ESQ., VICE-PRESIDENT  
A. E. AMES, ESQ.  
E. B. RYCKMAN, ESQ.  
J. N. SHENSTONE, ESQ.  
C. R. BURT, ESQ.  
H. D. SCULLY, ESQ.

Russell Motor Car Co.  
LIMITED

---

NOTICE OF ANNUAL MEETING

TORONTO, OCTOBER 17th, 1921.

Notice is hereby given that the Annual General Meeting of the Shareholders of Russell Motor Car Co., Limited, will be held in Room 35, Third Floor, National Trust Building, 20 King Street East, in the City of Toronto, on Friday, the 28th day of October, 1921, at 12 o'clock noon, to receive the Report of the Directors for the past year; to elect Directors for the ensuing year; and generally to transact any other business relating to the Company's affairs which may be brought before the Meeting.

A copy of the Annual Statement is enclosed, also a proxy which kindly sign and return to the undersigned.

LLOYD HARRIS,  
*President.*

G. W. SUGGITT,  
*Secretary.*