

# THE NIAGARA WIRE WEAVING CO. LIMITED

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## ANNUAL REPORT

MARCH 31st, 1938

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June 11th, 1938

To Our Stockholders:

Your Directors submit herewith the Company's Balance Sheet and Profit and Loss Statement for the year ended March 31st, 1938.

During the first three quarters from April 1st to December 31st, 1937, business was good and practically all the profit for the year was made during that period. The sharp curtailment of production by Canadian newsprint mills immediately following was reflected in reduced demand for your Company's products during the final quarter of our year from January 1st to March 31st, 1938, and earnings suffered correspondingly. Since then gradual improvement has been noted.

During the year negotiations were completed by which a subsidiary company was established to take over a wire weaving plant at Three Rivers, Quebec. This small but efficient unit was founded and formerly operated by one of the leading manufacturers of wire cloth in Great Britain. Consummation of this transaction was based upon the conviction that this Canadian operation could be carried on to better advantage by your company than by remote control. Five thousand additional shares of Capital Stock were issued in connection with the transaction, of which one thousand, seven hundred shares remain in the treasury of the subsidiary company.

Your Company's investments are carried at their market value as at the close of the fiscal year, an appropriation being made from Capital Surplus for this purpose.

Your Directors wish to express their appreciation of the loyal and efficient service given by the members of the staff and the employees of the Company throughout the past year.

EDWARD J. BUELL,  
President.

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**THE NIAGARA WIRE WEAVE**

(Incorporated under The Companies Act)

**BALANCE SHEET**

**AS AT 31st MARCH 1938**

**ASSETS**

Cash	\$ 154,924.86
Investments:	
Government and Corporation Bonds and Other Investments at Quoted Market Values	186,700.25
Accounts Receivable less Reserve	66,998.41
Inventories of Wire, Wire Cloth and Supplies	349,058.59
Cash Value—Life Insurance	58,891.30
Unabsorbed Fire Insurance Deposit and Municipal Tax Prepayment Certificate	8,642.45
Investment in and Advances to Subsidiary Company	245,495.63
Land, Buildings, Machinery and Equipment	581,212.75
Patents	1.00

Approved on behalf of the Board:

EDW. J. BUELL	}	Directors
J. COLIN KEMP		

1,651,925.24

**PROFIT AND LOSS ACCOUNT**

**For the Year Ended 31st March 1938**

Balance at credit as at 31st March, 1937	
ADD—Net Profit for the year including Income providing for all Expenses, Depreciation	
DEDUCT—Dividends Paid and Payable— Four quarterly dividends of 50 Cents	
Balance at credit as at 31st March, 1938	

**AUDITORS' REPORT TO SHAREHOLDERS**

We have examined the books and accounts of The Niagara Wire Weave Company for the year ended 31st March 1938, and all the information and explanations which we have required. We report that the accounts are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at the date of the balance sheet, and of the explanations given to us, and as shown by the books of the Company.

Montreal, 20th May, 1938.

**WEAVING COMPANY LIMITED**

(Incorporated in the Province of Ontario)

**BALANCE SHEET****MARCH, 1938****LIABILITIES**

Accounts Payable and Accrued Charges including Provision for Income Taxes		\$ 134,376.50
Dividend Payable 1st April, 1938		57,500.00
Reserve for Returnable Containers		44,237.49
Reserves for Depreciation		394,078.02
Capital Stock and Surplus:		
Capital Stock:		
Authorized—		
124,000 Shares of Common Stock without Nominal or Par Value		
Issued and Outstanding—		
110,000 Shares as at 31st March, 1937	\$134,249.00	
5,000 Shares issued for Assets acquired	215,000.00	
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115,000 Shares outstanding 31st March, 1938	349,249.00	
Capital Surplus Account:		
Balance at credit 31st March, 1937	\$425,050.50	
Deduct—Appropriation to adjust Investments to Quoted Market Values	114,735.10	310,315.40
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Profit and Loss Account—As per Statement	362,168.83	1,021,733.23
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		<u>1,651,925.24</u>

**PROFIT AND LOSS ACCOUNT****ended 31st March, 1938**

	\$352,400.08
from Investments, and after Depreciation and Income Taxes	237,268.75
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	589,668.83
Dividends each per Common Share	227,500.00
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	<u>362,168.83</u>

**THE SHAREHOLDERS**

Weaving Company Limited as at 31st March, 1938, and we have obtained that, in our opinion, the above Balance Sheet and Profit and Loss Account of the Company's affairs, according to the best of our information and the

(Signed) McDONALD, CURRIE & CO.  
Chartered Accountants

THE NIAGARA WIRE WEAVING CO. LIMITED

HEAD OFFICE AND FACTORY  
NIAGARA FALLS, ONTARIO

Manufacturers of Fourdrinier Wires and  
Paper Machine Wire Cloth.

President

EDWARD J. BUELL

Secretary

EDWARD L. BUELL

Vice President

WILLIAM WHYTE

Vice President

E. H. WILLIAMS

Directors

EDWARD J. BUELL

EDWARD L. BUELL

J. G. HALLWORTH

J. COLIN KEMP

J. H. ROBERTS

G. R. TODD