

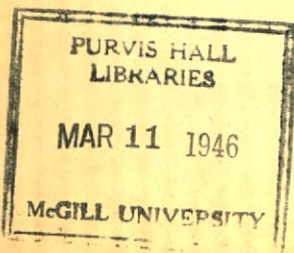
Penmans Limited

Paris, Ontario



Ninth Annual Report

1914



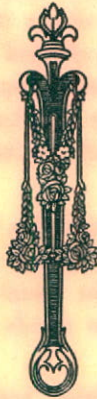
THE UNIVERSITY OF CHICAGO

1951

Penmans Limited

Corporate Office, Montreal, Que.
General Offices, Paris, Ont.

Annual Report



For the Year Ending
December the 31st, 1914

Submitted at the Ninth Annual Meeting
Held on the First Day of March, 1915

Directors' Report

YOUR Directors are pleased to submit to the Shareholders their Annual Report of the operations of the Company for the year ending 31st December, 1914.

The Sales for the year were \$3,540,978.62, a decrease of \$530,655.32 as compared with 1913. This is a very heavy shrinkage in our output and shows the extent to which general business in Canada has been affected by the war, for it must be remembered that this shrinkage has occurred notwithstanding the fact that your Company has had very considerable orders from the War Department both in Canada and Great Britain.

Notwithstanding, however, the falling off in business we have been able to pay the dividend on both our Preferred and Common Stock and put the usual amount of \$100,000.00 to Reserve Account, which now stands at \$700,000.00.

Our outstanding Liabilities, both direct and indirect, have been greatly reduced during the year and our Liquid Surplus has been increased by \$34,194.00.

The balance at Credit of Profit and Loss Account amounts to \$530,774.74.

One effect of the war has been the upward tendency of the wool markets and the restricted shipments of raw materials from abroad. Taking into consideration the abnormal conditions prevailing, your Board consider it a matter of congratulation that we are able to place before you such satisfactory results.

The Profits for the year amount to \$386,873.64, inclusive of all expenses of Administration, and after providing for Bond Interest, Bad Debts written off and Machinery Scrapped, the net profits amount to \$260,315.60, appropriated as follows,—

Preferred Dividends	\$ 64,500.00
Common Dividends	86,024.00
Canadian Patriotic Fund (part of subscription)	1,500.00
Transferred to Reserve Account	100,000.00
Amount carried forward	8,291.60
	<u>\$260,315.60</u>

As usual, our various Plants have been kept in good condition, the cost of repairs charged against earnings.

Your Directors considered it expedient to pass a By-Law consolidating the 300,000 Cumulative Preferred Shares of the Capital Stock of the Company of the par value of \$5.00 each into 15,000 six per cent Cumulative Preferred Shares of the par value of \$100.00 each, Shareholders receiving one share of the Consolidated Preferred Shares for each twenty \$5.00 Preferred Shares held by them, fractional certificates in twentieths to be issued for any number of shares less than twenty.

We are sure you will approve of our action in subscribing \$5,000.00 to the Canadian Patriotic Fund out of the Profits of the Company.

In December last death claimed a highly esteemed member of your Board of Directors in the person of Mr. David Morrice, after a long and honourable career. Mr. Morrice had been associated with Penmans' products for upward of forty years and was a factor in the remarkable development of the Textile Industry of this Country. He served as President of your Company from the re-organization in 1906 until March last, when he resigned that office on account of ill-health but continued to act as a Director. We desire to place on record our appreciation of his valuable services and our sense of the severe loss we have sustained.

The Books and Accounts of the Company have been audited during the year by Mr. C. S. Scott, F.C.A., Hamilton, and his report is presented herewith.

Respectfully submitted,

C. B. GORDON,
President.

Board of Directors

1914—1915

President

C. B. GORDON

Vice-President

R. B. MORRICE

V. E. MITCHELL, K. C.

J. P. BLACK

H. B. MacDOUGALL

J. R. GORDON

WM. McMASTER

I. BONNER, *General Manager*

C. B. ROBINSON, *Secretary-Treasurer*

Stock Transfer Agents:—ROYAL TRUST Co. MONTREAL AND TORONTO

Bankers:—THE BANK OF MONTREAL

Auditor:—C. S. SCOTT, F. C. A., HAMILTON

Henmans Limited

Profit and Loss Account

For year ending 31st December, 1914

Profits for the year ending 31st December, 1914	\$386,873.64
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DEDUCT

Interest on Bonds	\$100,000.00	
Old Machinery scrapped	14,348.00	
Bad Debts written off	12,210.04	
		126,558.04

Net Earnings for the year 1914	260,315.60
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Brought forward from 1913	522,483.14
	\$782,798.74

APPROPRIATION

To Four Quarterly Dividends of 1½% each on Preferred Stock	\$64,500.00	
“ Four Quarterly Dividends of 1% each on Common Stock	86,024.00	
“ Canadian Patriotic Fund (part of \$5,000.00 subscribed)	1,500.00	
Transferred to Reserve Account	100,000.00	
BALANCE FORWARD	530,774.74	
		\$782,798.74

ASSETS

PROPERTIES

Comprising Lands, Buildings, Dwelling Houses, Machinery, Waterpowers, Good- will, Trade Marks, Etc.	\$5,272,689.68
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CURRENT ASSETS

Cash on hand and in Bank	21,621.67
Accounts Receivable	\$722,072.08
Bills Receivable	15,164.45
	737,236.53
Unexpired Insurance	22,748.00
<u>INVENTORY</u>	
Raw and Manufactur- ed Stock	1,605,319.80
 TOTAL CURRENT ASSETS	2,386,926.00

\$7,659,615.68

Limited

Statement

December, 1914

LIABILITIES

CAPITAL STOCK

Authorized, Preferred	. . .	\$1,500,000.00	
Common	. . .	2,500,000.00	
		<u>4,000,000.00</u>	
Issued, Preferred	. . .	1,075,000.00	
Common	. . .	2,150,600.00	
			3,225,600.00

FIVE PER CENT. FIRST MORTGAGE BONDS

Authorized and Issued . . . 2,000,000.00

RESERVE ACCOUNT . . . 700,000.00

CURRENT LIABILITIES

Unclaimed Dividends	. . .	165.50	
Accounts Payable and Accrued Pay Rolls		136,972.13	
Bills Payable	1,066,103.31	
TOTAL CURRENT LIABILITIES			1,203,240.94

SURPLUS

PROFIT AND LOSS ACCOUNT 530,774.74

\$7,659,615.68

INDIRECT LIABILITIES

CUSTOMERS' PAPER UNDER DISCOUNT \$181,590.65

C. J. Scott, F.C.A.
Accountant, Trustee, etc.

Spectator Building,

Hamilton, Ont.

I have examined the Books and Vouchers of Penmans Limited for the year ended 31st. December, 1914, and certify that the accompanying Balance Sheet and Profit and Loss account agrees therewith.

I have been furnished with all information required by me, and the Inventories of Stock on hand have been taken, approximately at cost, as certified by responsible officers of the Company.

The statements appended hereto represent, in my opinion, a true and correct view of the Company's position as at the above date.

C. J. Scott

F. C. A.

Auditor.

Spectator Building,
Hamilton, Ont.,
February 3rd., 1915.

