

AGNEW-SURPASS
SHOE STORES
LIMITED

Annual Report
1934

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SIXTH
Annual Report

TO THE SHAREHOLDERS

for the Fiscal Year ending

MAY 31st, 1934



BRANTFORD, ONTARIO
CANADA

SIXTH
ANNUAL REPORT OF THE DIRECTORS
of
AGNEW-SURPASS SHOE STORES
LIMITED

BRANTFORD, JULY 12TH, 1934

TO THE SHAREHOLDERS:—

Your Directors submit herewith Consolidated Balance Sheet as of May 31st, 1934, and Profit and Loss and Surplus Statement for the year ending that date, of Agnew-Surpass Shoe Stores, Limited and subsidiary.

Our expectation of improved business conditions referred to in our last Annual Report has been realized and is reflected both in increased sales and Profits for the past year. Sales amounted to \$2,254,428.69 (after eliminating sales from factory to store company). Gross earnings were \$147,778.93 and after deducting \$45,765.54 to cover depreciation and Government Taxes, there remained a Net surplus for the year of \$102,013.39 and an earned surplus carried forward of \$273,311.18.

The full year's dividends have been paid on the Preferred Stock, and a first dividend of twenty cents per share distributed to the Common shareholders on March 1st last, and another dividend of twenty cents per share has been declared payable September 1st next, making forty cents per share from the year's operation.

The financial condition of the Company as shown by the Balance Sheet is very satisfactory, our liquid position being further improved; properties have been maintained in an efficient condition, and the usual depreciation provided on buildings, plant, fixtures and improvements to leasehold properties.

Seven Stores were closed, and eleven new Stores opened during the year making a total of 60 in operation as of May 31st last.

As referred to in the last Annual Report, the Surpass Shoe Co. Limited, the last of our Retail subsidiaries, has been wound up and the Assets transferred to Agnew-Surpass Shoe Stores, Limited and included in the

Consolidated Balance Sheet, thus Agnew-Surpass Shoe Stores, Limited is now the operating Company for all the Retail Stores, with The John Ritchie Co. Limited as the manufacturing subsidiary.

Agnew-Surpass Shoe Stores are located in most of the principal cities and towns in Eastern Canada, a list of which is contained in this Report, and we ask our shareholders to patronise the Stores of the Company for their footwear requirements, to direct as much trade as possible to your Stores, and thus co-operate with the Management for the further success of the Company.

Your Directors wish to record their thanks to department officials, store managers and employees for their loyal support and interest taken in the affairs of the Company during the past year.

On behalf of the Board,

J. ELLIS WARRINGTON,

President.

AGNEW-SURPASS SHOE STORES, LIMITED
AND SUBSIDIARY COMPANY

* *

Consolidated Balance Sheet (as at May 31st, 1934)

ASSETS			
CURRENT ASSETS:			
Cash on hand and in banks	\$138,283.11		
Government and Municipal Bonds, at cost (market value, \$141,770.00)	136,353.25		
Accounts and Bills Receivable, Trade	\$109,772.76		
Advances to Employees against Commissions, etc.	2,944.59		
	\$112,717.35		
Less Reserve for Bad Debts	9,885.66		
	\$102,831.69		
Merchandise Inventories (as valued by Management)	859,963.76		
Prepaid Expenses and Accrued Revenue	8,910.48		
	\$1,246,342.29		
LIFE INSURANCE, FIRE INSURANCE DEPOSITS, ETC.	7,327.93		
SUNDRY LOANS (NET)	27,133.18		
FIXED ASSETS: at depreciated appraisal values (1928) plus subsequent additions at cost (except for Lasts, Dies and Patterns shown at nominal value):			
Land	\$76,020.00		
Buildings	\$199,548.86		
Plant, Machinery, etc.	94,249.80		
Furniture and Fixtures	166,200.11		
Store Fronts on Leased Properties ..	16,786.55		
Automobile	2,845.00		
	\$479,630.32		
Less Reserve for Depreciation	169,364.45		
	310,265.87		
Lasts, Dies and Patterns (at nominal value)	33,000.00	419,285.87	
	15,000.00		
PATENTS UNDER LEASE AND PRODUCING REVENUE		15,000.00	
		\$1,715,089.27	
		\$1,715,089.27	

Approved:

J. E. WARRINGTON FRANK BAUSLAUGH
Directors of Agnew-Surpass Shoe Stores, Limited.

LIABILITIES			
CURRENT LIABILITIES:			
Accounts and Bills Payable	\$116,096.12		
Accrued Wages and Expenses	24,767.61		
Provision for Government Taxes	18,709.60		
Dividends Payable	17,056.25		
	\$176,629.58		
EQUITY OF MINORITY INTERESTS IN SUBSIDIARY COMPANY:			
(Shares owned by Directors as qualification)		960.00	
FIRE INSURANCE RESERVE		25,817.78	
CAPITAL AND SURPLUS:			
Capital Stock:			
7% Cumulative Convertible Preferred:			
Authorized, 15,000 shares of \$100.00 each:			
Issued, 10,000 shares	\$1,000,000.00		
Less 265 shares held by Subsidiary Company	26,500.00		
	\$973,500.00		
Common:			
Authorized, 135,000 shares of no par value:			
Issued, 80,000 shares	\$ 266,456.14		
Less 476 shares held by Subsidiary Company	1,585.41		
	264,870.73		
Earned Surplus		273,311.18	
		1,511,681.91	
		\$1,715,089.27	
CONTINGENT LIABILITY:			
Bills Receivable under Discount. . . .	\$ 43,952.00		

AUDITORS' CERTIFICATE

We have audited the books of Agnew-Surpass Shoe Stores, Limited and its subsidiary company for the year ended May 31st, 1934, and hereby certify that, in our opinion, the above Consolidated Balance Sheet correctly sets forth the financial position of the Company and its subsidiary, as at May 31st, 1934.

THORNE, MULHOLLAND, HOWSON & McPHERSON,
Chartered Accountants.

CONSOLIDATED PROFIT AND LOSS AND
SURPLUS ACCOUNT

Year ended May 31st, 1934

EARNED SURPLUS, BALANCE JUNE 1ST, 1933		\$255,089.04
Add Gross Earnings for the Year	\$147,778.93	
<i>Deduct:</i>		
Provision for Depreciation	\$30,572.21	
Provision for Government Taxes	15,193.33	
	45,765.54	
NET EARNINGS FOR YEAR	\$102,013.39	
FEDERAL INCOME TAX ADJUSTMENT, PRIOR PERIOD	368.55	
	102,381.94	
		\$357,470.98
<i>Deduct:</i>		
Dividends on Preferred Stock	\$ 70,000.00	
Dividends on Common Stock	16,000.00	
	\$ 86,000.00	
<i>Less</i> Subsidiary Company's Portion	1,950.20	
	\$ 84,049.80	
Sundry Adjustments	110.00	
	84,159.80	
EARNED SURPLUS, MAY 31ST, 1934		\$273,311.18

AGNEW-SURPASS SHOE STORES



ONTARIO

BELLEVILLE	KITCHENER	STRATFORD
BRANTFORD	LEAMINGTON	SUBURBY
166 Colborne	LINDSAY	ST. CATHARINES
16 Market	LISTOWEL	ST. THOMAS
BROCKVILLE	LONDON	TORONTO
CHATHAM	MIDLAND	106 Yonge
COBOURG	NIAGARA FALLS	252 Yonge
CORNWALL	NORTH BAY	2512 Yonge
DUNNVILLE	OTTAWA	686 Danforth
GALT	ORILLIA	952 Bloor St. W.
GUELPH	OSHAWA	2948 Dundas St. W.
HAMILTON	OWEN SOUND	1232 St. Clair Ave. W.
71 King, E.	PETERBORO	WALLACEBURG
13 Market Sq.	SARNIA	WELLAND
272 Ottawa, N.	SAULT ST. MARIE	WINDSOR
INGERSOLL	SIMCOE	359 Ouellette Ave.
KINGSTON		1410 Wyandotte St.
		WOODSTOCK

QUEBEC

MONTREAL	THREE RIVERS	QUEBEC
1111 St. Catherine W.		10 St. John

NEW BRUNSWICK

FREDERICTON
MONCTON
ST. JOHN
677 Main
187-189 Union

NOVA SCOTIA

AMHERST
NEW GLASGOW
TRURO
WINDSOR
YARMOUTH

PRINCE EDWARD ISLAND

CHARLOTTETOWN

Canada's Greatest Chain Shoe Stores

Here's Comfort for tired, aching feet



Why endure foot discomfort? It is so unnecessary. "Prop-r-arch" shoes accurately follow the contour of the foot and are scientifically built to take the pressure off the nerves that run through the foot. That is why you never know foot trouble with "Prop-r-arch." They need no breaking-in.

"Wales"

\$7.00



Prop-r-arch
EXCLUSIVELY RITCHIE
Happy Feet make HAPPY FACES!

AT ALL
AGNEW-SURPASS SHOE STORES