

Anglin-Norcross Corporation Limited

and Subsidiary Companies

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR YEAR ENDING FEBRUARY 29TH, 1936

Your Directors submit herewith a Consolidated Balance Sheet showing the condition of the Company at the close of the fiscal year ending February 29th, 1936.

Adequate provision has been made for depreciation, taxes, contingencies and doubtful debts.

There has been a slight improvement in construction as comparable with last year due entirely to increase in speculative house building and government undertakings notwithstanding which, statistics evidence that construction awards were 50% below normal pre-depression years showing that recovery in building is lagging far behind other industries.

However, our year's operations show a balance carried to profit and loss account somewhat better than the preceding year.

Taxation both direct and indirect continues to increase and constitutes not only a heavy burden on your Company but the possibility of additional taxation has no doubt retarded investment in new construction enterprises.

Your Directors deem it inadvisable to declare a dividend or call for redemption any Preferred Stock until such time as volume of new business warrants such action.

Yours faithfully,

HENRY J. GROSS,

PRESIDENT.

MONTREAL, April 27th, 1936.

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McGILL UNIVERSITY

Consolidated Balance Sheet

February 29th, 1936

Assets

CURRENT ASSETS:	
Cash in Banks and Deposits	\$ 54,144.94
Bonds, Call Loan and Investments at Cost	653,937.27
(Market Value \$682,965.66)	
Accounts Receivable	115,625.74
Mortgages Receivable	5,250.00
Material Inventories at Cost	21,127.15
TOTAL CURRENT ASSETS	\$ 850,085.10
FIXED ASSETS:	
Machinery, Tools and Equipment at Cost	\$ 327,560.72
Office Buildings, Mile End Plant, and Iberville Granite Cutting Works at Cost	184,386.20
	511,946.92
	<u><u>\$1,362,032.02</u></u>

Liabilities

CURRENT LIABILITIES:	
Accounts and Bills Payable	\$ 57,289.11
Reserve for Income Taxes	8,206.38
Dividends Payable	118.50
TOTAL CURRENT LIABILITIES	\$ 65,613.99
RESERVES:	
Depreciation	\$ 258,031.88
Contingencies	24,221.84
Investments	57,566.06
General	118,662.63
	458,482.41
CAPITAL:	
Preferred 5% Redeemable Non Cumulative Authorized and Issued 65,600 Shares	\$ 656,000.00
Less: Redeemed 660 Shares	6,600.00
	\$ 649,400.00
Common No Par Value Authorized 10,000 Shares Issued 6,560 Shares	32,800.00
	682,200.00
SURPLUS EARNED	155,735.62
	<u><u>\$1,362,032.02</u></u>
SURPLUS—EARNED	
Loss on completed Contracts after providing for all Operating Expenses, including \$30,451.77 provision for Depreciation for the year to February 29th, 1936	\$ 2,505.95
ADD: Income from Investments	32,169.59
	\$ 29,663.64
DEDUCT:	
Directors Fees	\$ 3,025.00
Reserve for Income Taxes	6,700.00
	9,725.00
Net Profit for the Year	\$ 19,938.64
Surplus February 28th, 1935	135,796.98
Surplus February 29th, 1936	<u><u>\$ 155,735.62</u></u>

We have audited the Books and Accounts of ANGLIN-NORCROSS CORPORATION LIMITED, and its subsidiaries, Anglin-Norcross Quebec Limited, Anglin-Norcross Ontario Limited and National Granite Works Limited for the year to February 29th, 1936.

We have verified the Securities and the Revenue therefrom and ample provision has been made for depreciation in the Market Value thereof. The usual depreciation has been provided on Plant and Equipment, except in the case of the National Granite Works Limited.

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 Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company. All our requirements as Auditors have been complied with.

(Signed) BAKER, BIRNIE & COMPANY,
Chartered Accountants.

MONTREAL, April 14th, 1936.

Approved— { HENRY J. GROSS }
 { C. D. HARRINGTON } Directors

Anglin-Norcross Corporation Limited

BOARD OF DIRECTORS

G. W. BIRKS	Montreal	P. N. GROSS	Toronto
A. L. BISHOP	Toronto	C. D. HARRINGTON . .	Montreal
A. O. DAWSON	Montreal	W. S. LESLIE	Montreal
H. J. GROSS	Montreal	G. A. LOWLES	Montreal

OFFICERS

<i>President</i>	HENRY J. GROSS
<i>Vice-President and Manager</i>	CONRAD D. HARRINGTON
<i>Secretary-Treasurer</i>	GEORGE A. LOWLES
<i>Assistant Secretary-Treasurer</i>	THOMAS A. GUNN

SUBSIDIARY COMPANIES

ANGLIN-NORCROSS QUEBEC LIMITED	892 Sherbrooke St. W., Montreal
ANGLIN-NORCROSS ONTARIO LIMITED	57 Bloor Street West, Toronto
NATIONAL GRANITE WORKS LIMITED	Iberville, Que.
ROSSLIN IMPROVEMENT COMPANY LIMITED . .	892 Sherbrooke St. W., Montreal