

Canadian Bronze Company, Limited

Montreal, Canada



Annual Report
1934

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McGILL UNIVERSITY

CANADIAN BRONZE COMPANY,
LIMITED

and Wholly Owned Subsidiary Companies

MONTREAL BRONZE, LIMITED

NORTHWESTERN BRASS, LIMITED

ST. THOMAS BRONZE CO., LIMITED

DIAMOND BRONZE COMPANY, INC.

WINNIPEG BRASS LIMITED

NATIONAL BRONZE COMPANY, LIMITED

CANADIAN BRONZE COMPANY,
LIMITED

DIRECTORS

SIR CHARLES B. GORDON, G.B.E. SIR HERBERT S. HOLT

ALBERT E. DYMENT ERNEST R. DECARY

ROSS H. McMASTER JOSEPH A. KILPATRICK

RICHARD O. JOHNSON H. CARSON FLOOD

WILLIAM L. BAYER



OFFICERS

W. L. BAYER, *President and Managing Director.*

R. J. KING, *Treasurer.*

W. C. PAQUETTE, *Secretary.*

F. C. COLE, *Assistant Secretary.*

Solicitors

WAINRIGHT, ELDER & McDUGALL



Executive Offices

999 DELORIMIER AVENUE / MONTREAL



CANADIAN BRONZE COMPANY, LIMITED

TO THE SHAREHOLDERS:

Your Directors take pleasure in submitting the Income Account and Balance Sheet showing the results of the past year's business and the financial position of your Company as of December 31st, 1934.

After depreciation, taxes, provision for preferred stock sinking fund and regular dividends at the rate of \$7.00 per share on your preferred stock and 60 cents per share on your common stock, a balance of \$33,013.42 was carried to Earned Surplus Account, as compared with \$6,036.71 in 1933.

As of November 1st, 1934, your Company purchased from The Robert Mitchell Company, Limited, the business of the National Bronze Company, Limited, a company furnishing bronze and brass castings and bearings similar to those manufactured by your Company. Through increased volume of sales and economies from the combined operation, this acquisition promises to be of advantage to your Company.

Owing to the strong liquid position which your Company has consistently maintained, no new financing was required in connection with the foregoing transaction. As of December 31st, 1934, your Company had marketable securities of a book value of \$217,279.77 (with an approximate market value of \$247,976.00), these securities representing capital not ordinarily required in the course of the Company's business. Advantage was taken of this fund to secure a bank loan amounting to \$120,000.00 at the end of the year, but since reduced to \$70,000.00 through the sale of certain securities. The balance of the loan may be paid off either through further sales of securities or through earnings, or both. Ample working capital is at the disposal of your Company for the carrying on of its business.

In order to adjust the assets of your wholly owned subsidiaries to conform with an appraisal made by the Canadian Appraisal Company, as of April, 1934, and October, 1934, an amount of \$46,643.14 has been charged to General Surplus, which now stands at \$455,131.36.

Your plants have been well maintained during the year and the facilities are more than ample to take care of the entire bronze bearing business in Canada.

In order to maintain its position as the foremost manufacturer in Canada of bronze bearing metals, your Company has established a Research and Technical Control Department and a Service Department. The former is designed to maintain the quality of your products at the highest possible level; the latter to increase the already excellent facilities for co-operating with customers and meeting new requirements as they arise.

Your Directors again wish to express their appreciation of the efficient work and loyal co-operation of the employees.

On behalf of the Board of Directors,

W. L. BAYER, *President.*

CANADIAN BRONZE COMPANY, LIMITED

AND WHOLLY OWNED SUBSIDIARY COMPANIES

Consolidated Balance Sheet as at 31st December 1934

ASSETS		LIABILITIES	
CURRENT ASSETS:		CURRENT LIABILITIES:	
Cash on hand and in banks	40,625.00	Bank Loan (Secured)	120,000.00
Accounts Receivable less Reserve for Doubtful Accounts	119,283.57	Accounts Payable	40,341.89
Inventories of Raw Material, Goods in Process, and Finished Stock	398,374.57	Dividends Payable 1st February 1935— On Preferred Shares in hands of Public	12,600.00
Less—Inventory of Raw Material held for Customers' Account	30,385.50	On Common Shares	12,000.00
	<u>367,989.07</u>	Federal and Provincial Income Taxes	29,966.66
	527,897.64	Sales Tax	4,775.28
			<u>219,683.83</u>
		INSURANCE RESERVE	13,082.40
INVESTMENTS:		7% CUMULATIVE REDEEMABLE SINKING FUND PREFERRED STOCK:	
In Marketable Securities	386,007.44	Authorized—	
Less—Reserve	168,727.67	15,000 Shares of \$100.00 Par Value <u>\$1,500,000.00</u>	
(Approximate Market Value—\$247,976.00)	<u>217,279.77</u>	Issued and Paid-up—	
Interest accrued to date	1,920.00	12,500 Shares	1,250,000.00
	219,199.77	5,300 Shares purchased for Redemption and Cancellation	530,000.00
DEFERRED CHARGES TO OPERATIONS	830.00		<u>720,000.00</u>
FIXED ASSETS:		COMMON STOCK AND EARNED SURPLUS:	
Real Estate, Buildings, Machinery and Tools, Plant, Patterns, Office Furniture and Fixtures. Valued on the basis of appraisals made on 30th April 1934 and 13th October 1934, by the Can- adian Appraisal Company, Limited, with subsequent additions since the dates of these appraisals at Cost	1,349,068.13	Common Stock—without nominal or par value: Authorized—100,000 Shares	
Less—Reserve for Depreciation	491,703.71	Issued and Paid-up— 80,000 Shares	197,395.24
	<u>857,364.42</u>	Earned Surplus—as per attached Statement	455,131.36
			<u>652,526.60</u>
CONTRACTS, RIGHTS, PATENTS AND GOODWILL:	1.00		
	<u>\$1,605,292.83</u>		<u>\$1,605,292.83</u>

AUDITOR'S REPORT

TO THE SHAREHOLDERS,

CANADIAN BRONZE COMPANY, LIMITED, MONTREAL.

We have audited the books and accounts of Canadian Bronze Company, Limited, and its Wholly Owned Subsidiary Companies for the year ended 31st December 1934, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

(Signed) CLARKSON, McDONALD, CURRIE & CO.,
Chartered Accountants.

MONTREAL, 24th January 1935.

Approved on Behalf of the Board:

C. B. GORDON }
W. L. BAYER } Directors.

CANADIAN BRONZE COMPANY, LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES



*Consolidated Statement of Profit and Loss
for the year ended 31st December 1934*

OPERATING PROFITS—	
transferred from Subsidiary Companies, after providing for Depreciation and 1934 Federal and Provincial Income Taxes and Directors' Fees	124,924.64
NET REVENUE—	
from Investments, Interest and Rentals	15,490.27
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NET PROFITS—for the Year	140,414.91
Deduct—Preferred Dividends on Shares in Hands of Public:	
Paid and Payable	50,400.00
Provision for Sinking Fund for redemption of Preferred Shares	9,001.49
Common Dividends:	
Paid and Payable	48,000.00
	<u>107,401.49</u>
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BALANCE OF PROFITS—for the Year transferred to Consolidated Statement of Earned Surplus	\$ <u>33,013.42</u>
NOTE—The following amounts have been charged before determining the Operating Profits for the year—	
Provision for Depreciation of Fixed Assets	\$ 29,860.00
Provision for Federal and Provincial Income Taxes	29,000.00
Directors' Fees	2,374.00

CANADIAN BRONZE COMPANY, LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES



*Consolidated Statement of Earned Surplus
for the year ended 31st December 1934*

GENERAL SURPLUS:

BALANCE AT CREDIT as at 31st December 1933	325,374.24	
<i>Deduct</i> —Amount necessary to adjust the book values of the Fixed Assets of all the Subsidiary Companies to their appraisal values	46,643.14	
	278,731.10	
<i>Add</i> —BALANCE OF PROFITS for the year	33,013.42	
	311,744.52	311,744.52

OTHER SURPLUS:

Provided out of Profits for Sinking Fund, an equivalent amount having been applied in purchases of Preferred Stock prior to 31st December 1930—		
BALANCE as at 31st December 1933	134,385.35	
<i>Add</i> —Amount provided in respect of the year ended 31st December 1934	9,001.49	
	143,386.84	143,386.84

BALANCE AS AT 31ST DECEMBER 1934 as per Consolidated Balance Sheet		<u><u>\$455,131.36</u></u>
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CANADIAN BRONZE COMPANY,
LIMITED

Works located at
MONTREAL, QUEBEC
ST. THOMAS, ONTARIO
WINNIPEG, MANITOBA
CALGARY, ALBERTA
LYNDONVILLE, VERMONT



Transfer Agents:
THE ROYAL TRUST COMPANY
MONTREAL and TORONTO



Registrars:
THE TORONTO GENERAL TRUSTS CORPORATION
MONTREAL and TORONTO

