

# Canadian Bronze Company, Limited

Montreal, Canada



**Annual Report**  
1937

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CANADIAN BRONZE COMPANY, LIMITED

*and*

*Wholly Owned Subsidiary Companies*

MONTREAL BRONZE, LIMITED

NORTHWESTERN BRASS, LIMITED

ST. THOMAS BRONZE COMPANY, 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

*EXECUTIVE OFFICERS*

W. L. BAYER, *President and Managing Director.*  
R. J. KING, *Treasurer.*  
W. C. PAQUETTE, *Secretary.*  
F. C. COLE, *Assistant Secretary.*

*Solicitors*

WAINRIGHT, ELDER & McDougall

*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 result of the past year's business and the financial position of your Company.

As orders from the Canadian railways constitute the principal source of business for your Company, direct benefits accrued from the increased movement of traffic reflected in the gain of about 6% in car loadings in Canada in 1937 as compared with 1936. Orders for new equipment from both the major railway systems, as well as other users of railway cars in Canada, also added to the volume of business available. In addition there was a substantial increase in your general industrial business.

Operating problems were to some extent complicated by the uneven movement in prices of raw materials during the year and increased wages were also a factor in adding to the cost of production. The fair increase in volume of business, however, obviated the necessity of any basic change in our price structure.

Your Service Department, established with a view to studying the needs of your customers, has continued alert to possibilities of improvement in your products and has, we believe, rendered valuable assistance in that connection.

During the year, it is of interest to note, we were able to open new export markets in Trinidad, Jamaica and British Guiana.

The business of your Company, from its inception in 1896, was for many years largely owned by capital from the United States, while today 97% of the holders of the outstanding preferred and common shares are domiciled in Canada.

Monthly meetings of your Board of Directors were held throughout the year. The books of the Company have been audited regularly and the certificate of the Auditors appears herewith.

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

By Order of the Board,

W. L. BAYER, *President.*

# CANADIAN BRONZE COMPANY, LIMITED

AND WHOLLY OWNED SUBSIDIARY COMPANIES

Consolidated Balance Sheet as at 31st December 1937

ASSETS				LIABILITIES			
<b>CURRENT ASSETS:</b>				<b>CURRENT LIABILITIES:</b>			
Cash	230,981.98			Accounts Payable	92,651.62		
Accounts Receivable, less Reserve for Doubtful Accounts	213,981.38			Dividends Payable 1st February 1938—			
Inventories:				On Preference Shares	9,375.00		
Quantities determined by actual count or weight, priced at the lower of Cost or Market and Certified to by Officers of the Companies.				On Common Shares	70,000.00	79,375.00	
Raw Material, Goods in Process and Finished Stock	388,110.99			Dominion and Provincial Income Taxes	63,398.91		
Less—Raw Material held for Customers' Account	68,158.23	319,952.76	764,916.12	Sales Tax Payable	11,901.29		247,326.82
				INSURANCE RESERVE			15,214.38
				INVENTORY RESERVE			52,287.33
<b>INVESTMENTS:</b>				<b>5% CUMULATIVE REDEEMABLE PREFERENCE STOCK:</b>			
Marketable Securities—				Authorized—			
Bonds and Preferred and Common Stocks of Canadian and Foreign Companies	216,906.15			15,000 Shares of \$100.00 Par Value	\$1,500,000.00		
Less—Reserve	145,158.95	71,747.20		Issued and Fully Paid—			
				7,500 Shares			750,000.00
(Quoted Market Value—\$107,586.25)				<b>COMMON STOCK AND EARNED SURPLUS:</b>			
Non-Marketable Securities—				Common Stock—without Nominal or Par Value			
Guaranteed First Mortgage Certificates	57,500.00			Authorized—100,000 Shares			
Less—Reserve	22,500.00	35,000.00		Issued and Full Paid—80,000 Shares	197,395.24		
				Earned Surplus—as per attached Statement	439,947.54		637,342.78
Interest accrued to date		106,747.20	107,226.36				<u>\$1,702,171.31</u>
		479.16					
DEFERRED CHARGES TO OPERATIONS			263.00				
<b>FIXED ASSETS:</b>							
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 Canadian Appraisal Company, Limited, with additions since the dates of these appraisals at cost	1,410,598.54						
Less—Reserves for Depreciation	580,833.71	829,764.83					
CONTRACTS, RIGHTS, PATENTS AND GOODWILL			1.00				
			<u>\$1,702,171.31</u>				

Approved on behalf of the Board,

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

## AUDITORS' 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 1937, and we have obtained all the information and explanations which we have required.

We report that, 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 Companies' affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

MONTREAL, 25th January 1938

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

# CANADIAN BRONZE COMPANY, LIMITED

and

Wholly Owned Subsidiary Companies

## Consolidated Statement of Profit and Loss for the year ended 31st December 1937

### OPERATING PROFITS—

Transferred from Subsidiary Companies . . . . .	383,793.95		
Less—Provision for Depreciation of Fixed Assets . . . . .	29,860.00		
Provision for Dominion and Pro- vincial Income Taxes . . . . .	60,000.00		
Legal Fees . . . . .	816.48		
Directors' Fees . . . . .	1,814.50		
Salaries and Fees of Executive Officers . . . . .	32,625.50	125,116.48	258,677.47

### NET REVENUE—

From Investments, Interest and Rentals . . . . .			11,858.92
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NET PROFITS—FOR THE YEAR . . . . .			270,536.39
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### Deduct—Dividends Paid and Payable—

Preference . . . . .	37,500.00		
Common . . . . .	160,000.00	197,500.00	

### BALANCE OF PROFITS—FOR THE YEAR

Transferred to Consolidated Statement of Earned Surplus . . . . .			\$ 73,036.39
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## Consolidated Statement of Earned Surplus for the year ended 31st December 1937

BALANCE AT CREDIT AS AT 31st DECEMBER 1936 . . . . .		366,911.15	
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Add—Balance of Profits for the year . . . . .		73,036.39	
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BALANCE AT CREDIT AS AT 31st DECEMBER 1937			
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As per Consolidated Balance Sheet . . . . .			\$439,947.54
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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 TRUST CORPORATION  
MONTREAL *and* TORONTO







