

Canadian Bronze Company, Limited

Montreal, Canada



Annual Report
1939

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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

Established 1896

CANADIAN BRONZE COMPANY,
LIMITED

DIRECTORS

SIR HERBERT S. HOLT, K.B.	ROSS H. McMASTER
ALBERT E. DYMENT	JOSEPH A. KILPATRICK
RICHARD O. JOHNSON	H. CARSON FLOOD
AUBREY H. ELDER, K.C.	WILFRID GAGNON

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

WAINWRIGHT, ELDER & McDOUGALL

Executive Offices

999 DELORIMIER AVENUE - MONTREAL



CANADIAN BRONZE COMPANY LIMITED

TO THE SHAREHOLDERS:

Your Directors take pleasure in submitting a Consolidated Income Account and Balance Sheet showing the results of the past year's business and the financial position of your Company and its wholly-owned subsidiaries as at December 31st, 1939.

Your Company's facilities are proving entirely adequate to the demands brought about by the war, due to the strategic location of your plants and the policy of anticipating the requirements of your customers as reasonably far in advance as is consistent with economic operations. There has been a large amount of buying on the part of the railways for new equipment and the business of your industrial customers has also increased. By well developed policies we have been in a position to maintain deliveries and quality without embarrassment to your customers at any time.

Dividends were paid during the year at the rate of \$5.00 per share on your outstanding preferred stock and of \$1.50 per share on your outstanding common stock, with an additional interim dividend of 50c per share on the latter. After due allowance for taxes, an amount of \$69,908.13 was added to your earned surplus.

It is with sincere regret that your Directors report the loss during the year of Sir Charles B. Gordon, G.B.E., through death. During the year Mr. Wilfrid Gagnon and Mr. A. H. Elder, K.C., were elected to your Board.

Monthly meetings of your Directors were held throughout the year. The books of your 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 1939

ASSETS

CURRENT ASSETS:

Cash	221,921.56		
Accounts Receivable, less Reserve for Doubtful Accounts	349,387.56		
Inventories:			
<small>Quantities determined by actual count or weight, priced at the lower of Cost or Market and certified to by Officers of the Companies.</small>			
Raw Material, Goods in Process and Finished Stock	451,455.23		
Less—Raw Material held for Customers' Account	65,542.17	385,913.06	957,222.18

INVESTMENTS:

Marketable Securities—

Bonds and Preferred and Common Stocks of Canadian and Foreign Companies	217,131.78		
Less—Reserve	145,158.95	71,972.83	

(Quoted Market Value—\$115,338.22)

Non-Marketable Securities—

Guaranteed First Mortgage Certificates	57,500.00		
Less—Reserve	22,500.00	35,000.00	106,972.83

LIFE INSURANCE POLICIES 1.00

Cash Surrender Value as at 31st December 1939—\$8,031.75.

FIXED ASSETS:

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	1,439,668.83		
Less—Reserves for Depreciation	640,553.71	799,115.12	

CONTRACTS, RIGHTS, PATENTS AND GOODWILL 1.00

\$1,863,312.13

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	149,399.48		
Dividends payable 1st February 1940—			
On Preference Shares	9,375.00		
On Common Shares	70,000.00	79,375.00	
Dominion and Provincial Income Taxes	70,073.41		
Sales Tax Payable	13,055.82	311,903.71	

INSURANCE RESERVE 15,757.55

INVENTORY RESERVE 52,287.33

5% CUMULATIVE REDEEMABLE PREFERENCE STOCK:

Authorized—			
15,000 Shares of \$100.00 Par Value	<u>\$1,500,000.00</u>		
Issued and Fully Paid—			
7,500 Shares		750,000.00	

COMMON STOCK AND EARNED SURPLUS:

Common Stock—without Nominal or Par Value Authorized—100,000 Shares.			
Issued and Fully Paid—80,000 Shares	197,395.24		
Earned Surplus—as per attached Statement	535,968.30	733,363.54	
		<u>\$1,863,312.13</u>	

Approved on behalf of the Board,

W. L. BAYER
WILFRID GAGNON } Directors

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 1939, 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.

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

MONTREAL, 22nd January 1940

CANADIAN BRONZE COMPANY, LIMITED

and

Wholly Owned Subsidiary Companies

Consolidated Statement of Profit and Loss for the year ended 31st December 1939

OPERATING PROFITS—

Transferred from Subsidiary Companies	395,344.62		
Less—Provision for Depreciation of Fixed Assets	29,860.00		
Provision for Dominion and Provincial Income Taxes	70,000.00		
Legal Fees	805.00		
Directors' Fees	1,777.50		
Salaries and Fees of Executive Officers	33,262.50	135,705.00	259,639.62
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NET REVENUE—			
From Investments, Interest and Rentals			7,768.51
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NET PROFITS—FOR THE YEAR			267,408.13
Deduct—Dividends Paid and Payable—			
Preference	37,500.00		
Common	160,000.00	197,500.00	
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BALANCE OF PROFITS—FOR THE YEAR			
Transferred to Consolidated Statement of Earned Surplus			\$ 69,908.13
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Consolidated Statement of Earned Surplus for the year ended 31st December 1939

BALANCE AT CREDIT AS AT 31st DECEMBER 1938	466,060.17
Add—Balance of Profits for the year	69,908.13
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BALANCE AT CREDIT AS AT 31st DECEMBER 1939	
as per Consolidated Balance Sheet	<u>\$535,968.30</u>

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



