

# General Steel Wares Limited and Subsidiary Companies

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## ANNUAL REPORT FOR THE Year ended 31st December, 1933

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### OFFICERS:

J. C. NEWMAN	President
F. S. CORRIGAN	Vice-President and General Manager
G. K. SHEILS	Vice-President and Asst. General Manager
W. F. HOLDING, C.A.	Comptroller and Treasurer
F. S. BROPHY	Secretary

### DIRECTORS:

J. C. NEWMAN	F. M. ROSS
F. S. CORRIGAN	H. H. HORSFALL
W. S. HODGENS	HON. GORDON W. SCOTT
JOHN McCLARY GUNN	HON. DONAT RAYMOND

### STOCK TRANSFER AGENTS:

NATIONAL TRUST COMPANY  
Montreal and Toronto

### BANKERS:

CANADIAN BANK OF COMMERCE  
Toronto

# General Steel Wares Limited

## AND SUBSIDIARY COMPANIES

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### ANNUAL REPORT

FOR THE YEAR ENDING 31ST DECEMBER, 1933

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#### TO THE SHAREHOLDERS:

Your Directors submit herewith a consolidated balance sheet and profit and loss statement as at 31st December, 1933.

Operations for the year, before providing for depreciation, resulted in a profit of \$445,975 to which has been added the capital profit of \$173,063 on \$376,000 of bonds retired during the year. Taken together, these profits exceeded the charges on account of bond interest and exchange thereon by \$113,784, which latter amount has been applied in reduction of the deficit carried forward from 1932.

The operating profits, alone, while just short of bond interest requirements, represented an improvement of \$613,518 over the results for 1932, in which year an operating loss of \$167,543 was incurred, and it is worthy of remark that the year under review is the first since 1930 in which an operating profit has been earned.

The decline in sales, particularly referred to in our report on the 1932 accounts, continued throughout the first four months of 1933, and, during that period, the operating loss, before making any provision for bond interest, amounted to \$103,000. In the month of May, the trend of sales turned upward, and, for the last eight months of the year, the volume of business substantially exceeded the sales for the corresponding period of 1932. During these eight months, operating profits exceeded the bond interest applicable to the eight-month period by approximately \$200,000.

Inventories of raw materials, work in process and finished goods have been taken into the accounts at a value which does not exceed the lower of cost or market value. Generally speaking, the merchandise inventories are now well balanced with sales requirements, and are lower than at December 31st, 1932, the net increase of \$97,209 in the total inventories being entirely accounted for by higher stocks of raw materials.

Your Company's working capital is sufficient for its present requirements, the ratio of current assets to current liabilities being 4.6 to 1.

Properties have been well maintained, and the plants are excellently equipped to take care of an increased volume of business.

The officers and employees of the Company throughout all departments have performed their duties in a loyal and efficient manner, and the thanks of your Board are extended to them.

Submitted on behalf of the Board of Directors.

J. C. NEWMAN,  
PRESIDENT

Montreal, 7th February, 1934.

# General Steel Wares Limited

## AND SUBSIDIARY COMPANIES

### CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND DEFICIT

YEAR ENDING 31ST DECEMBER, 1933

Deficit as at 1st January 1933.....	\$1,320,861.13
<b>ADD:</b>	
Profit from operations before providing for depreciation.....	\$ 445,975.54
Capital profit on bonds retired during the year.....	173,063.70
	\$ 619,039.24
<b>LESS:</b>	
Interest on bonds.....	\$ 468,850.13
Exchange on coupons payable in U.S. currency.....	36,404.87
	505,255.00
	113,784.24
Deficit as at 31st December 1933.....	\$ 1,207,076.89

### CONSOLIDATED BALANCE SHEET AS AT 31ST DECEMBER, 1933

<u>ASSETS</u>	<u>LIABILITIES</u>
<b>CURRENT ASSETS:</b>	<b>CURRENT LIABILITIES:</b>
Cash on hand and in banks . \$ 9,717.31	Bank loans (secured under Section 88 and by accounts receivable)..... \$ 449,000.00
Accounts receivable . \$1,085,814.02	Accounts payable and accrued liabilities..... 354,650.64
Less Reserves 169,311.09	Accrued interest on bonds... 78,720.00
916,502.93	\$ 882,370.64
Sundry debtors..... 21,956.82	<b>PROPERTY, DEPRECIATION AND CONTINGENCY RESERVES.....</b> 3,524,530.75
Inventories, at cost or market whichever is the lower.... 3,136,885.96	<b>FIRST MORTGAGE BONDS OF A SUBSIDIARY COMPANY.....</b> 210,000.00
\$4,085,063.02	<b>FIRST MORTGAGE BONDS:</b>
<b>SINKING FUND CASH:</b>	Authorized..... \$25,000,000.00
Balance on deposit with the Trustee for First Mortgage bondholders..... 3.56	Series "A" 6%, due 1st November, 1952—
	Issued..... \$ 9,000,000.00
	Less: Redeemed and cancelled..... 1,518,000.00
	7,482,000.00
<b>INVESTMENTS, MORTGAGES, ETC.....</b> 14,505.18	<b>CAPITAL:</b>
<b>DEFERRED CHARGES.....</b> 39,257.59	Preferred stock 7% cumulative, callable at 110—
	Authorized \$10,000,000.00
	Issued—45,000 shares of \$100.00 each..... \$ 4,500,000.00
	(Dividends paid to 31st January, 1931)
<b>FIXED ASSETS:</b>	Common stock represented by 200,000 shares without nominal or par value, fully paid..... 1,000,135.00
Land, buildings and equipment as at 1st January, 1933..... \$12,159,159.12	\$ 5,500,135.00
Additions (net) during year.. 63,971.03	Less—Deficit, as per accompanying statement..... 1,207,076.89
12,223,130.15	4,293,058.11
\$16,361,959.50	\$16,361,959.50

Approved on behalf of the Board,  
J. C. NEWMAN, }  
F. S. CORRIGAN, } Directors.

### AUDITORS' REPORT

TO THE SHAREHOLDERS:

We have examined the books and accounts of General Steel Wares Limited and of its subsidiary companies for the year ending 31st December, 1933, and have received all information and explanations we have required. Subject to the fact that no provision has been made for depreciation accruing since 1st January, 1931 on buildings, plant and equipment, we report that, in our opinion, the above consolidated balance sheet is 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.

TORONTO, 5th February, 1934.

PRICE WATERHOUSE & COMPANY,  
Chartered Accountants.

HEAD OFFICE—MONTREAL, QUEBEC  
EXECUTIVE OFFICES—TORONTO, ONTARIO

FACTORIES LOCATED AT		DISTRIBUTING WAREHOUSES LOCATED AT	
Montreal	London	Montreal	London
Toronto	Winnipeg	Toronto	Winnipeg
Vancouver		Calgary	Vancouver

COMPANIES COMPRISING GENERAL STEEL WARES LIMITED

The McClary Manufacturing Company.  
The Happy Thought Foundry Co., Ltd.  
The Macdonald Manufacturing Co., Ltd.  
McLaughlin-Fletcher Soda Fountains, Ltd.

The Sheet Metal Products Co. of Canada, Ltd.  
The Thos. Davidson Manufacturing Co., Ltd.  
E. T. Wright, Limited.  
A. Aubry & Fils, Ltée.

SOME OF THE PRINCIPAL PRODUCTS  
OF YOUR COMPANY

Under the "McCLARY" Trademark;

Electric Ranges  
Gas Ranges  
Gas Heaters and Plates  
Coal and Wood Ranges  
Coal and Wood Heaters  
Furnacettes  
Heavy Duty Ranges  
Warm Air Furnaces  
Air-Conditioning Systems  
Registers  
Furnace Fittings  
Hotel, Cafeteria, and Institutional  
Equipment  
Electric Water Heaters  
Humidifiers  
Gas Water Heaters  
Enameled Ware Utensils  
Cast Iron Hollow Ware  
Eavestrough; Galvanized and  
Copper  
Conductor Pipe and Elbows

Under the "McLAUGHLIN-  
FLETCHER" Trademark;

Soda Fountains  
Soda Fountain Equipment and  
Sundries

Under the MACDONALD Name;

Tin Cans and Boxes, Lithographed,  
Plain & Decorated  
Metal Containers, for Oil, Grease,  
Lard, Jam, Honey, Candy, Waxes,  
Polishes, Tea, Coffee, Spice, To-  
bacco, Talcum Powder, Tablets,  
Pills, Biscuits, Etc.  
Sheet Metal Specialties, Displays  
and Trays  
Metal Advertising Signs; gnm-pro-  
cess, lithographed, porcelain ena-  
meled  
Steel Shipping Containers "Wedg-  
Seal" Drums

Under GENERAL STEEL WARES  
Name;

"Kovermore" and Corrugated Gal-  
vanized Roofing  
"Green Cross" Hospital Enameled  
Ware  
Table Tops, Porcelain-Enameled  
Tubs for Washing Machines, Porce-  
lain-Enameled  
Metal Stampings  
Refrigerator Parts  
Job Enameling  
Shovels  
Trimline Sinks

Under the "SMP" Trademark;

Refrigerators  
Plumbing Fixtures  
Range Boilers  
Railroad Milk Cans  
Ice-Cream Packer Cans  
Enameled Ware Utensils  
Enameled Wash Boards  
Aluminum Cooking Utensils  
Cast Aluminum Cooking Utensils  
Plain and Japanned Tinware  
Bird Cages  
Dairy Pails and Utensils  
Copper Nickel-Plated Ware  
Sheet Iron Camp Stoves  
Galvanized Ware Utensils  
Poultry Supplies  
Stove Pipes and Elbows

Under the "HAPPY THOUGHT"  
Trademark;

Electric Ranges  
Gas Ranges  
Coal and Wood Ranges  
Heaters  
Circulating Heaters  
Furnaces

A few of the above-mentioned lines are illustrated in the enclosed circular. Dealers throughout Canada carry our products, and will welcome your enquiries regarding same.