

CASSIDY'S LIMITED



ANNUAL
REPORT
1936

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McGILL UNIVERSITY

CASSIDY'S LIMITED



HEAD OFFICE
51 St. Paul Street West, Montreal

BRANCHES
Montreal, Toronto, Vancouver

BOARD OF DIRECTORS

LIEUT.-COL. W. I. GEAR, Chairman

N. M. YUILE	N. A. PRENTICE
HUGH DAVIDSON	C. A. HODGSON
J. J. WARREN	ARNOLD WAINWRIGHT, K.C.
H. N. BOOTH	A. N. MCKAY

OFFICERS

PRESIDENT	- - - - -	N. M. YUILE
VICE-PRESIDENT	- - - - -	N. A. PRENTICE
SECRETARY-TREASURER	- - - - -	GEORGE MUIR

TRANSFER AGENTS
THE ROYAL TRUST COMPANY

REGISTRARS
BANK OF MONTREAL

BANKERS
BANK OF MONTREAL

AUDITORS
PRICE, WATERHOUSE & CO.

Report to the Shareholders

Your Directors take pleasure in submitting the Consolidated Balance Sheet of your Company and Associated Companies at December 31st, 1936, and a relative Consolidated Statement of Profit and Loss and Earned Surplus for the year ending that date, together with your auditors' report thereon.

This Company shared in the general trade improvement last year, both in this Country and in England, and the combined operations resulted in an operating profit of \$208,577.12.

The improvement has been maintained this year so far, and there is hope that it may continue for the balance of the year.

During the year 1936, pursuant to By-Law No. 11 sanctioned by you at a Special General Meeting held on December 22nd, 1936, and confirmed by Supplementary Letters Patent, dated December 29th, 1936, the par value of the Common Shares was reduced from \$25.00 per share to \$1.00 per share, as reflected in the attached financial statements.

It is with regret that your Directors have to report their loss and yours through the death on December 19th, 1936, of Mr. F. Worden, who had been connected with your Company for over forty years.

Respectfully submitted on behalf of the Board.

N. M. YUILE,
President.

MONTREAL, April 12th, 1937.

CASSIDY'S LIMITED *and* IN CANADA

CONSOLIDATED BALANCE

GIVING EFFECT TO THE REDUCTION OF CAPITAL AS AUTHORIZED
ASSETS

REAL ESTATE, BUILDINGS, PLANT, FURNITURE
AND FIXTURES, ETC.:

In Canada (at cost, less written off).....	\$ 873,892.63
In England (Elkington & Co. Limited) at cost, less depreciation written off.....	257,373.56
	<u>\$1,131,266.19</u>

CURRENT ASSETS:

Inventories of Stocks on hand as determined and certified by responsible officials of the Company, valued at the lower of cost or market price.....	\$1,004,859.30
Trade Accounts and Bills Receivable (less Reserve of \$83,430.71 for Bad and Doubtful Accounts).....	698,414.46
Other Accounts Receivable.....	6,413.10
Miscellaneous Investments at book value....	4,297.56
Cash in Bank and on Hand.....	75,771.84
	<u>1,789,756.26</u>

INSURANCE AND TAXES, ETC., PREPAID.....

NOTE—Assets and Liabilities in England are expressed at par of exchange.

\$2,926,032.04

Approved on behalf of the Board:

WILLIAM I. GEAR, *Chairman.*
N. M. YUILE, *Director.*

ASSOCIATED COMPANIES

AND ENGLAND

SHEET, DECEMBER 31, 1936

BY SUPPLEMENTARY LETTERS PATENT DATED DECEMBER 29, 1936

LIABILITIES

CAPITAL STOCK OF CASSIDY'S LIMITED:

Authorized:—

55,897 Seven Per Cent Cumulative Preferred Shares of \$100.00 each.....	\$5,589,700.00
100,000 Common Shares of \$1.00 each.....	100,000.00
<u>\$5,689,700.00</u>	

NOTE—Under Supplementary Letters Patent dated December 29, 1936, the par value of the Common Shares was reduced from \$25.00 per share to \$1.00 per share. The reduction in capital, after providing for the loss on common shares held by Associated Companies, was used in the elimination of Goodwill, \$1,479,493.81, and in the writing down of certain real estate, plant, etc., by \$362,970.19.

Issued:—

Seven Per Cent Cumulative Preferred Shares.....	16,238	\$1,623,800.00
<i>Less:</i> Held by Associated Companies.....	Shares 24	2,400.00
Shares <u>16,214</u>		<u>\$1,621,400.00</u>

Common Shares.....	100,000	\$ 100,000.00
<i>Less:</i> Held by Associated Companies.....	25,639	25,639.00
Shares <u>74,361</u>		<u>74,361.00</u>
<u>\$1,695,761.00</u>		

CURRENT LIABILITIES:

Trade Accounts Payable.....	\$ 213,171.36
Shareholders' Loans.....	168,229.68
Provision for Dominion, Provincial and Other Taxes.....	31,541.36
<u>412,942.40</u>	

RESERVES:

For Buildings.....	\$ 146,712.72
For Furniture, Fixtures and Fittings, etc.....	247,739.45
For Contingencies.....	79,002.05
<u>473,454.22</u>	

CAPITAL RESERVE:

Difference between par value and cost of the Company's Preferred Shares held by Associated Companies.....	1,840.00
<i>EARNED SURPLUS</i> , as per statement attached.....	342,034.42

NOTE:—Preferred Dividends accumulated and unpaid to December 31, 1936, \$397,243.00

\$2,926,032.04

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of Cassidy's Limited and Associated Companies in Canada for the year ending December 31, 1936, and have been furnished with audited statements as at that date covering the operations of Elkington & Company Limited in England. We have obtained all the information and explanations which we have required; and we report that, in our opinion, the attached Consolidated Balance Sheet at December 31, 1936, is properly drawn up so as to exhibit a true and correct view of the combined 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 which we have audited and by the certified statements which have been submitted to us.

PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, April 5, 1937.

CASSIDY'S LIMITED
AND ASSOCIATED COMPANIES

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED
 SURPLUS, DECEMBER 31, 1936**

Combined Profits from Operations for the year ending December 31, 1936, before taking into account the items shown below.....	\$ 335,847.39
<i>Add:</i>	
Interest on Investments.....	\$ 296.10
Profit on Transfer of Life Assurance Policy	654.81
Transfer of Reserves not now required.....	<u>11,952.11</u>
	<u>12,903.02</u>
	<u>\$ 348,750.41</u>
DEDUCT:	
Depreciation on Buildings, Plant and Equipment and Amortization of Leases.....	\$ 34,181.42
Bad Debts.....	18,419.60
Interest Paid.....	9,157.77
Salaries of Executive Officers (including As- sociated Companies).....	50,564.44
Directors' Fees.....	1,127.20
Legal Expenses.....	2,098.86
Expenses in connection with Reduction of Capital.....	2,556.00
Provision for Income Taxes.....	<u>22,068.00</u>
	<u>140,173.29</u>
Operating Profit for the year.....	<u>\$ 208,577.12</u>
Earned Surplus, Balance December 31, 1935... \$ 189,492.03	
<i>Add:</i> Adjustment in respect of prior years... 714.27	<u>190,206.30</u>
	<u>\$ 398,783.42</u>
<i>Deduct:</i> Preferred Stock Dividend paid for six months to June 30, 1933.....	<u>56,749.00</u>
Balance carried forward.....	<u><u>\$ 342,034.42</u></u>

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