

CASSIDY'S LIMITED

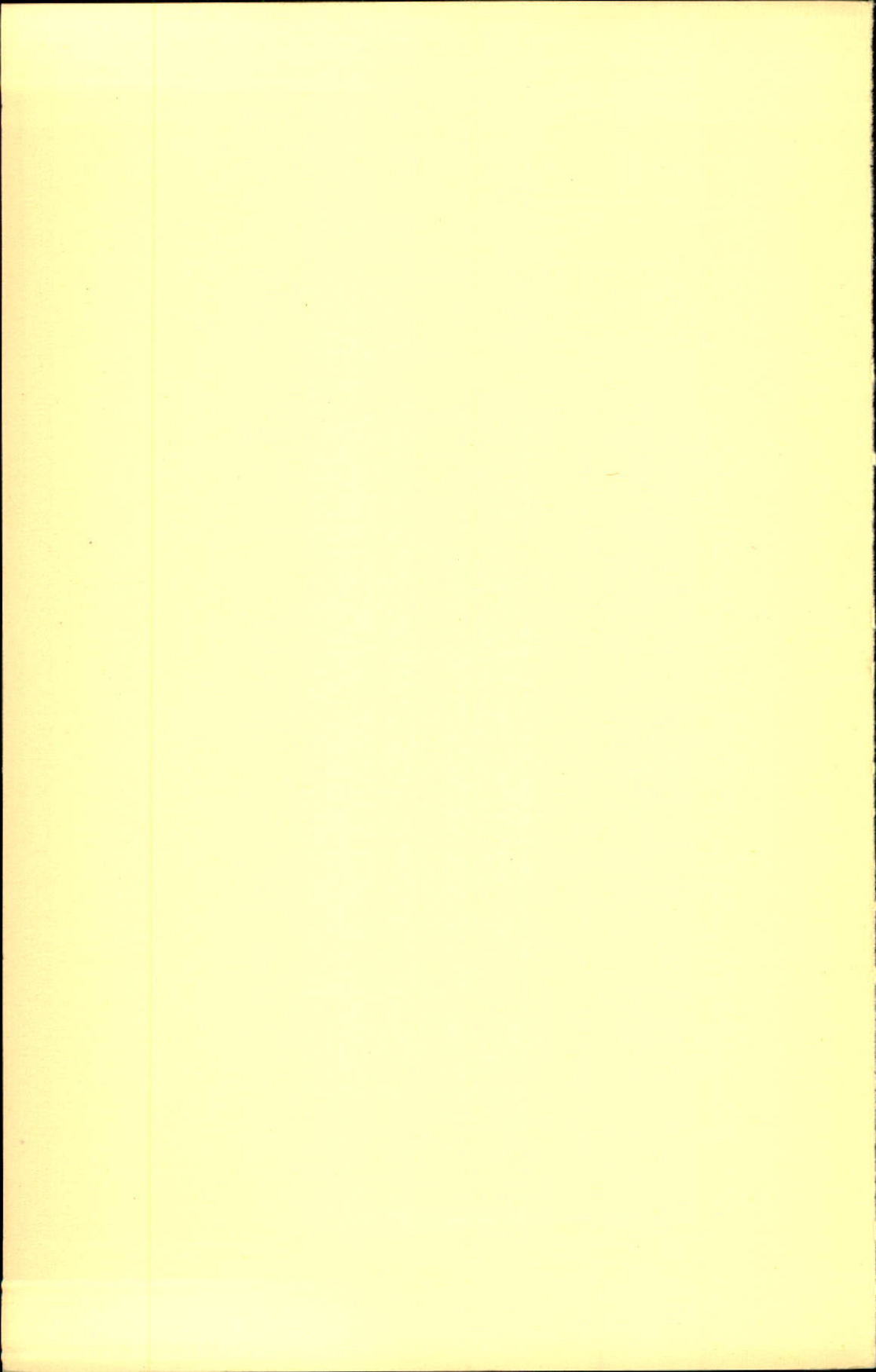


ANNUAL
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1942

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CASSIDY'S LIMITED



ANNUAL
REPORT

1942

CASSIDY'S LIMITED

HEAD OFFICE

51 St. Paul Street West, Montreal

BRANCHES

Montreal, Toronto, Vancouver

BOARD OF DIRECTORS

ARNOLD WAINWRIGHT, K.C., Chairman

N. M. YUILE

N. A. PRENTICE

HUGH DAVIDSON

H. N. BOOTH

A. N. MCKAY

W. S. YUILE

LT.-COL. I. P. REXFORD

LESLIE H. BOYD, K.C.

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 OF THE DIRECTORS

TO THE SHAREHOLDERS OF
CASSIDY'S LIMITED:

Your Directors take pleasure in submitting the Consolidated Balance Sheet of your Company and Associated Companies and a Consolidated Statement of Surplus at December 31st, 1942, and a Consolidated Statement of Income and Expenditure for the year ended on said date, together with the Auditors' Report thereon.

The form of these Financial Statements has been changed this year and to facilitate the comparison of the information given the corresponding figures for the previous year are also submitted.

After paying dividends, totalling 7% on the outstanding Cumulative Preferred Share Capital, the Earned Surplus shows an increase of \$108,136, which your Directors regard as satisfactory.

Business during the year continued at increasingly high levels and merchandise stocks have been well maintained. However, restrictions affecting our supplies continue to increase and make it exceedingly difficult to forecast future operations. The production of your Company's English manufacturing subsidiary showed a large increase and now represents approximately fifty per cent of the total volume of your Company's business; it continues to be almost wholly devoted to essential war work.

Owing to its contingent nature, the refundable portion of British Excess Profits Tax in connection with the operations of the English Subsidiary is not reflected in the Statements.

Respectfully submitted on behalf of the Board.

N. M. YUILE,
President.

MONTREAL, April 15th, 1943.

CASSIDY'S LIMITED AND

IN CANADA A

CONSOLIDATED BALANCE S

ASSETS

	December 31 1942	December 31 1941
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.....	\$1,942,999	\$1,721,112
Trade Accounts and Bills Receivable, less reserve...	1,676,276	1,259,231
Other Accounts Receivable.....	15,503	5,444
Miscellaneous Investments at book value.....	5,077	5,077
Dominion of Canada Bonds at market.....	49,875	-
Cash in Bank and on Hand—		
In England, £95,470 (1942); £29,877 (1941)...	422,932	132,353
In Canada.....	20,054	12,215
Total Current Assets.....	<u>\$4,132,716</u>	<u>\$3,135,432</u>
REFUNDABLE PORTION OF CANADIAN EXCESS PROFITS TAX	<u>\$ 21,000</u>	<u>—</u>
REAL ESTATE, BUILDINGS, PLANT, FURNITURE AND FIXTURES, ETC.		
In Canada (at cost, less written off).....	861,956	888,057
In England (Elkington & Co. Limited and Associated Company) at cost, less depreciation written off.....	581,421	506,640
	<u>\$1,443,377</u>	<u>\$1,394,697</u>
INSURANCE AND TAXES, ETC., PREPAID.....	<u>\$ 23,139</u>	<u>\$ 20,186</u>
	<u>\$5,620,232</u>	<u>\$4,550,315</u>

Approved on behalf of the Board:

ARNOLD WAINWRIGHT, *Chairman.*

N. M. YUILE, *Director.*

ASSOCIATED COMPANIES

ND ENGLAND

HEET, DECEMBER 31, 1942

LIABILITIES

	December 31 1942	December 31 1941
CURRENT LIABILITIES:		
Bank Overdraft.....	\$ 347,596	\$ —
Secured Bank Loan re Government Bonds and Em- ployees' Victory Loan Subscriptions.....	62,287	—
Accounts Payable.....	881,826	553,822
Shareholders' Loans.....	238,882	253,727
Income and Other Taxes.....	929,341	730,467
Total Current Liabilities.....	<u>\$2,459,932</u>	<u>\$1,538,016</u>
RESERVES:		
For Buildings.....	241,456	225,209
For Furniture, Fixtures and Fittings, etc.....	262,620	260,002
For Contingencies.....	17,995	17,995
	<u>\$ 522,071</u>	<u>\$ 503,206</u>
CAPITAL AND SURPLUS:		
Capital Stock	Authorized	Issued
7% Cumulative Pre- ferred Shares of \$100 each.....	<u>\$5,589,700</u>	<u>\$1,623,800</u>
Less: Held by As- sociated Com- pany.....		<u>7,000</u>
		1,616,800
Common Shares of \$1 each.....	<u>\$ 100,000</u>	<u>\$ 100,000</u>
Less: Held by Associated Com- panies.....		<u>25,835</u>
		74,165
	<u>\$1,690,965</u>	<u>\$1,690,965</u>
Capital Surplus.....	<u>\$ 3,975</u>	<u>\$ 3,975</u>
Deferred Surplus—		
Refundable portion of Canadian Excess Profits Tax.....	<u>\$ 21,000</u>	<u>\$ —</u>
Earned Surplus, per statement attached.....	<u>\$ 922,289</u>	<u>\$ 814,153</u>
Total Capital and Surplus.....	<u>\$2,638,229</u>	<u>\$2,509,093</u>
Note—Preferred dividends accumulated and unpaid to December 31, 1942—\$282,940.	<u>\$5,620,232</u>	<u>\$4,550,315</u>

Submitted with our Report to the Shareholders dated April 8, 1943.

PRICE, WATERHOUSE & CO.,

Auditors.

CASSIDY'S LIMITED AND ASSOCIATED COMPANIES IN CANADA AND ENGLAND

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS

DECEMBER 31, 1942

	December 31 1942	December 31 1941
Combined profits from operations for the year ending December 31, before taking into account the items shown below.....	\$1,503,862	\$1,155,397
<i>Deduct:</i>		
Depreciation on buildings, plant and equipment and Amortization of leases.....	\$ 87,898	\$ 76,997
Bad Debts.....	3,092	10,836
Interest on Loans.....	24,849	21,131
Salaries of executive officers (including associated companies).....	94,449	86,009
Directors' Fees.....	3,475	3,235
Legal Expenses.....	776	777
Loss on disposal of real estate.....	21,600	—
Provision for income and excess profits taxes (in- cluding \$21,000 refundable portion of 1942 Canadian Excess Profits Tax).....	1,046,411	718,999
	<u>\$1,282,550</u>	<u>\$ 917,984</u>
Operating profit for the year.....	\$ 221,312	\$ 237,413
Earned surplus at beginning of year.....	\$ 814,153	\$ 744,014
Less: Additional provision for British Income Taxes in respect of 1940 profits.....	—	\$ 54,098
	<u>\$ 814,153</u>	<u>\$ 689,916</u>
Together.....	\$1,035,465	\$ 927,329
<i>Deduct:</i> Dividends paid on preferred stock.....	113,176	113,176
Earned surplus, per attached Balance Sheet.....	<u>\$ 922,289</u>	<u>\$ 814,153</u>

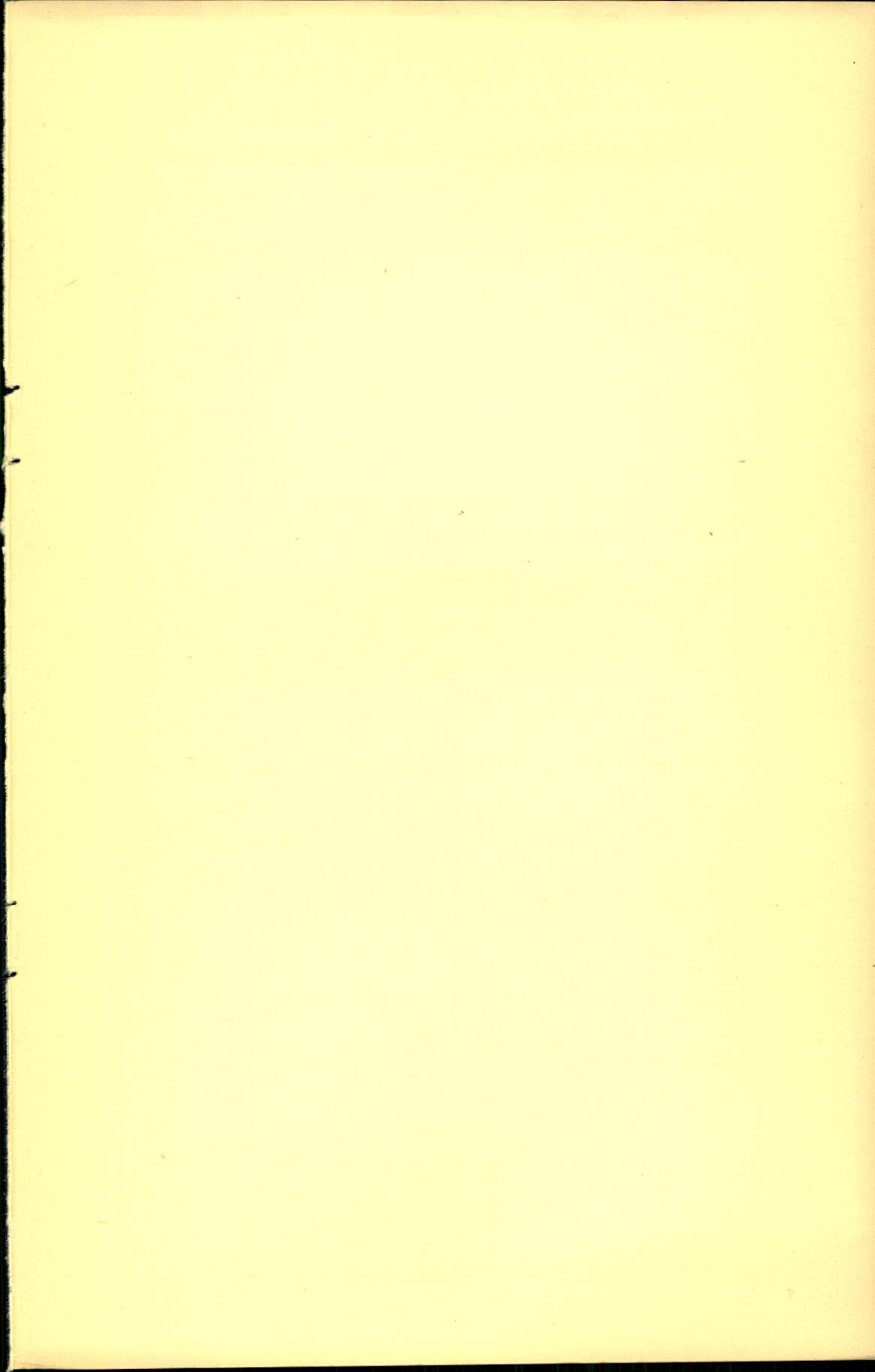
AUDITORS' REPORT TO THE SHAREHOLDERS

MONTREAL, April 8, 1943.

We have made an examination of the consolidated balance sheet of Cassidy's Limited and Associated Companies as at December 31, 1942, and of the relative consolidated statement of profit and loss and earned surplus. In connection therewith, while we did not make a detailed audit of the transactions, we examined or tested accounting records of Cassidy's Limited and its Associated Company in Canada and have been furnished with financial statements as at December 31, 1942, of Associated Companies in England, whose books and accounts have been examined by independent auditors, and have received all the information and explanations which we have required.

Based upon our examination we report that the attached consolidated balance sheet at December 31, 1942, in our opinion, 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 we have examined and by the financial statements submitted to us.

PRICE, WATERHOUSE & CO.,
Auditors.



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