

CASSIDY'S LIMITED

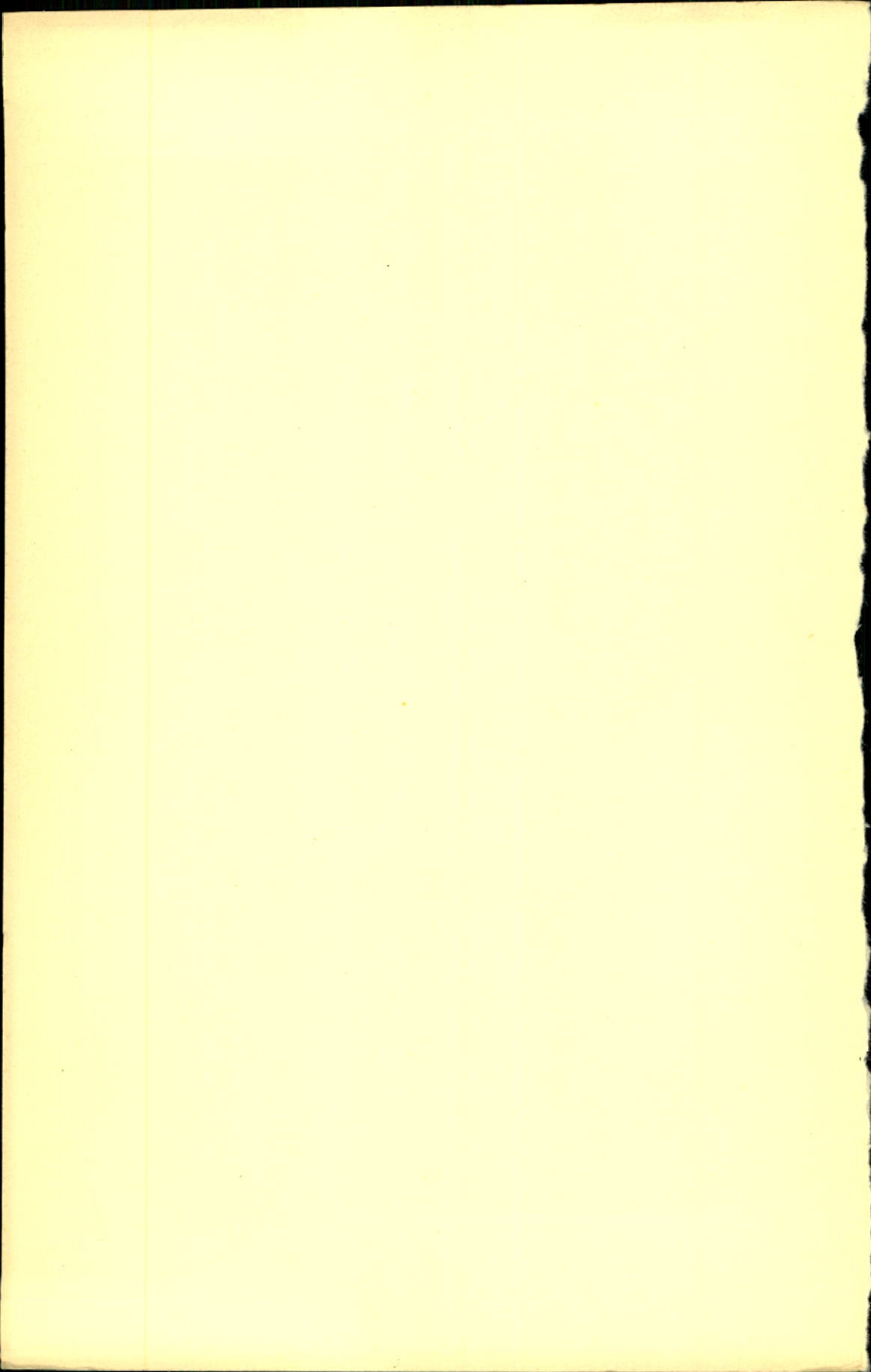


ANNUAL
REPORT
1943

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CASSIDY'S LIMITED



ANNUAL
REPORT
1943

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 Profit and Loss and Earned Surplus at December 31, 1943, together with the Auditors' report thereon.

Operating Profits are shown at \$218,517, after provision for taxes and renegotiation of U. K. War Material Contracts together amounting to \$1,766,385. Both of these are subject to final revision but in total will not vary much.

During the year Dividends totalling 7% were paid and a further $1\frac{3}{4}\%$ was provided for (which was paid January 3, 1944) on the outstanding Preferred Share Capital of the Company. Earned Surplus was increased by \$93,511, which your Directors consider satisfactory.

Business in Canada has been well maintained, notwithstanding limitation of supplies of many of our important lines due to quota restrictions.

Production of your Company's English manufacturing Subsidiary continues to expand and to be devoted to essential war work and, to meet the expressed wishes of the U.K. authorities, substantial Capital Extensions have been undertaken by it in England. In addition, your Directors authorized the purchase by that Subsidiary of a property in England which is now being successfully utilized to increase their production and which it is confidently expected will be suitable for post-war business.

Preferred Dividends have been placed on a quarterly basis, which it is hoped may be maintained. The outstanding shares of the Company, both Preferred and Common, have been listed on the Montreal Curb Market.

Your Directors desire to report their appreciation of the loyal and efficient service of officers and employees of the Companies in Canada and of those in our English Subsidiaries.

Respectfully submitted on behalf of the Board,

N. M. YUILE,
President.

MONTREAL, April 24th, 1944.

CASSIDY'S LIMITED AND IN CANADA A

CONSOLIDATED BALANCE

ASSETS

	December 31 1943	December 31 1942
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.....	\$1,783,688	\$1,942,999
Trade Accounts and Bills Receivable, less reserve..	1,379,424	1,676,276
Other Accounts Receivable.....	53,953	20,580
Government Bonds at market.....	17,720	49,875
United Kingdom Tax Certificates £100,000.....	443,000	—
Cash in Bank and on Hand—		
In England £133,384 (1943), £95,470 (1942)...	590,891	422,932
In Canada.....	100,598	20,054
Total Current Assets.....	\$4,369,274	\$4,132,716
 REFUNDABLE PORTION OF CANADIAN EXCESS PROFITS TAX	 \$ 73,474	 \$ 21,000
 REAL ESTATE, BUILDINGS, PLANT, FURNITURE AND FIXTURES, ETC.:		
In Canada (at cost, less written off).....	\$ 865,449	\$ 861,956
In England (Elkington & Co. Limited and Associated Company) at cost, less depreciation written off.....	740,140	581,421
	\$1,605,589	\$1,443,377
 INSURANCE AND TAXES, ETC., PREPAID	 \$ 21,194	 \$ 23,139
	 \$6,069,531	 \$5,620,232

Approved on behalf of the Board:

ARNOLD WAINWRIGHT, *Chairman.*
N. M. YUILE, *Director.*

ASSOCIATED COMPANIES AND ENGLAND

SHEET, DECEMBER 31, 1943

LIABILITIES

	December 31 1943	December 31 1942
CURRENT LIABILITIES:		
Bank Overdraft.....	—	\$ 347,596
Secured Bank Loan re Victory Loan Subscriptions..	\$ 12,166	62,287
Preferred Dividend, payable January 3, 1944.....	28,294	—
Accounts Payable, including reserve for estimated United Kingdom price adjustments.....	1,068,360	881,826
Shareholders' Loans.....	196,845	238,882
Income and Other Taxes.....	1,434,850	929,341
Total Current Liabilities.....	<u>\$2,740,515</u>	<u>\$2,459,932</u>
RESERVES:		
For Buildings.....	\$ 257,703	\$ 241,456
For Furniture, Fixtures and Fittings, etc.....	269,105	262,620
For Contingencies.....	17,994	17,995
	<u>\$ 544,802</u>	<u>\$ 522,071</u>
CAPITAL AND SURPLUS:		
Capital Stock	Authorized	Issued
7% Cumulative Preferred Shares of \$100 each.....	<u>\$5,589,700</u>	\$1,623,800
Less: Held by As- sociated Com- pany.....		7,000
		<u>\$1,616,800</u>
Common Shares of \$1 each.....	<u>\$ 100,000</u>	\$ 100,000
Less: Held by Associated Com- panies.....		25,835
		<u>74,165</u>
	<u>\$1,690,965</u>	<u>\$1,690,965</u>
Capital Surplus.....	\$ 3,975	\$ 3,975
Deferred Surplus— Refundable Portion of Canadian Excess Profits Tax.....	\$ 73,474	\$ 21,000
Earned Surplus, per statement attached.....	\$1,015,800	\$ 922,289
Total Capital and Surplus.....	<u>\$2,784,214</u>	<u>\$2,638,229</u>
Note—Preferred Dividend Arrears December 31, 1943 \$254,646.....	<u>\$6,069,531</u>	<u>\$5,620,232</u>

Submitted with our Report to the Shareholders dated April 14, 1944.

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, 1943

	December 31 1943	December 31 1942
Combined profits from operations for the year ending December 31, after provision for estimated United Kingdom price adjustments (1942 £49,250; 1943 £61,600) but before taking into account the items shown below.....	\$1,959,486	\$1,503,862
<i>Deduct:</i>		
Depreciation on Buildings, Plant and Equipment and amortization of leases.....	\$ 128,211	\$ 87,898
Bad Debts.....	—	3,092
Interest on Loans.....	12,414	24,849
Salaries of Executive Officers (including Associated Companies).....	101,958	94,449
Directors' Fees.....	3,102	3,475
Legal Expenses.....	1,787	776
Loss on disposal of Real Estate.....	—	21,600
Provision for Income and Excess Profits Taxes (in- cluding \$53,727 refundable portion of 1943 Canadian Excess Profits Tax).....	1,493,497	1,046,411
	<u>\$1,740,969</u>	<u>\$1,282,550</u>
Operating Profit for the year.....	\$ 218,517	\$ 221,312
Earned Surplus at beginning of year.....	\$ 922,289	\$ 814,153
<i>Add:</i> Adjustment of overprovision in respect of prior years' Canadian Profits Taxes.....	16,464	—
	<u>\$ 938,753</u>	<u>\$ 814,153</u>
Together.....	\$1,157,270	\$1,035,465
<i>Deduct:</i> Dividends on Preferred Stock.....	141,470	113,176
Earned Surplus, per attached Balance Sheet.....	<u>\$1,015,800</u>	<u>\$ 922,289</u>

AUDITORS' REPORT TO THE SHAREHOLDERS

MONTREAL, April 14, 1944.

We have made an examination of the consolidated balance sheet of Cassidy's Limited and Associated Companies as at December 31, 1943, 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, 1943, 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, 1943, 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.

