

CASSIDY'S LIMITED



ANNUAL
REPORT
1938

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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 to the Shareholders



Your Directors take pleasure in submitting the Consolidated Balance Sheet of your Company and Associated Companies as at December 31st, 1938, and a relative Consolidated Statement of Profit and Loss and Earned Surplus for the year ending that date, together with the Auditors' Report thereon.

In sympathy with general trade conditions throughout the entire field of our activities, the contraction of business brought about a considerable drop in net earnings, but, on the whole, the year's operations, which ended with an increased surplus in spite of the payment of an extra half-year's dividend on the Preferred Capital Stock, may be regarded as satisfactory.

During the month of January of this year the Company sustained the loss of two valued Directors through the deaths of Col. W. I. Gear and Mr. J. J. Warren, Chairman and Member of the Board, respectively, for a considerable number of years.

Respectfully submitted on behalf of the Board.

N. M. YUILE,
President.

MONTREAL, April 12th, 1939.

CASSIDY'S LIMITED *and* ASSOCIATED COMPANIES

IN CANADA AND ENGLAND

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1938

| ASSETS | |
|---|----------------|
| REAL ESTATE, BUILDINGS, PLANT, FURNITURE AND FIXTURES, ETC. | |
| In Canada (at cost, less written off)..... | \$ 873,199.64 |
| In England (Elkington & Co. Limited and Associated Company) at cost, less depreciation written off..... | 460,107.36 |
| | \$1,333,307.00 |
| 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..... | \$1,169,574.85 |
| Trade Accounts and Bills Receivable (less Reserve of \$82,981.50 for Bad and Doubtful Accounts)..... | 732,036.58 |
| Other Accounts Receivable..... | 8,848.85 |
| Miscellaneous Investments at book value.... | 1,431.53 |
| Cash on hand..... | 2,833.85 |
| | 1,914,725.66 |
| INSURANCE AND TAXES, ETC., PREPAID..... | 9,951.23 |
| | \$3,257,983.89 |

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

| LIABILITIES | |
|---|---|
| CAPITAL STOCK OF CASSIDY'S LIMITED: | |
| <i>Authorized:—</i> | |
| 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 |
| | \$5,689,700.00 |
| <i>Issued:—</i> | |
| Seven Per Cent Cumulative Preferred Shares..... | 16,238 \$1,623,800.00 |
| Less: Held by Associated Company..... | 64 6,400.00 |
| | Shares 16,174 \$1,617,400.00 |
| Common Shares..... | 100,000 \$ 100,000.00 |
| Less: Held by Associated Companies..... | 25,819 25,819.00 |
| | Shares 74,181 74,181.00 |
| | \$1,691,581.00 |
| CURRENT LIABILITIES: | |
| Bank Overdraft..... | \$ 41,498.76 |
| Trade Accounts Payable..... | 162,930.77 |
| Shareholders' Loans..... | 184,632.76 |
| Provision for Dominion, Provincial and Other Taxes..... | 63,205.84 |
| | 452,268.13 |
| RESERVES: | |
| For Buildings..... | \$ 176,468.89 |
| For Furniture, Fixtures and Fittings, etc.... | 252,461.64 |
| For Contingencies..... | 79,002.05 |
| | 507,932.58 |
| CAPITAL RESERVE: | |
| Difference between par value and cost of the Company's Preferred Shares held by Associated Companies..... | 3,707.80 |
| EARNED SURPLUS, as per statement attached... | 602,494.38 |
| | NOTE:—Preferred Dividends accumulated and unpaid to December 31, 1938, \$339,654.00. \$3,257,983.89 |

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the consolidated balance sheet of Cassidy's Limited and Associated Companies as at December 31, 1938, 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, 1938, 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.

We report that, in our opinion, based upon our examination, the attached consolidated balance sheet at December 31, 1938, 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.

Approved on behalf of the Board:

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

Montreal, April 8, 1939.

CASSIDY'S LIMITED
AND ASSOCIATED COMPANIES
IN CANADA AND ENGLAND



CONSOLIDATED STATEMENT OF PROFIT & LOSS AND EARNED SURPLUS, DECEMBER 31, 1938

| | | |
|---|--|---------------|
| Combined Profit from Operations for the year ending December 31, 1938, before taking into account the items shown below | | \$ 367,876.24 |
| <i>Add:</i> Interest on Investments | | 31.50 |
| | | \$ 367,907.74 |
| DEDUCT: | | |
| Depreciation on Buildings, Plant and Equipment and Amortization of Leases | | \$ 46,273.92 |
| Bad Debts | | 13,979.80 |
| Interest Paid | | 17,187.49 |
| Salaries of Executive Officers (including Associated Companies) | | 60,915.56 |
| Directors' Fees | | 5,983.96 |
| Legal Expenses | | 1,218.93 |
| Written off Investments | | 750.00 |
| Provision for Canadian Income Taxes | | 23,410.00 |
| | | 169,719.66 |
| Operating Profit for the year | | \$ 198,188.08 |
| Earned Surplus, Balance December 31, 1937 . . . | | \$ 570,719.67 |
| <i>Add:</i> | | |
| Profit on surrender of Life Insurance Policy . . . | | 3,466.13 |
| | | 574,185.80 |
| | | \$ 772,373.88 |
| <i>Deduct:</i> Dividends paid on Preferred Stock to December 31, 1935 (10½%) | | 169,879.50 |
| Earned Surplus, Balance December 31, 1938 . . | | \$ 602,494.38 |

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