

CASSIDY'S LIMITED



ANNUAL
REPORT
1939

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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 and a Consolidated Statement of Surplus as at December 31st, 1939, and a Consolidated Statement of Income and Expenditure for the year ended on said date, together with the Auditors' Report thereon.

The Net Consolidated Result of the operations of your Company for the year under review, after the payment of Dividends of Seven Per Cent on the Preferred Share Capital, is reflected by an increase of \$108,156.50 in the Earned Surplus. Your Directors regard this as satisfactory when consideration is given to the uncertainty which existed prior to the outbreak of war and the difficulties generally experienced since then.

Business began to improve during the latter part of the year and the improvement continues at the present time; it is, of course, impossible to make any forecast as to the prospects for the future.

Respectfully submitted on behalf of the Board.

N. M. YUILE,
President.

MONTREAL, April 11th, 1940.

CASSIDY'S LIMITED *and* ASSOCIATED COMPANIES

IN CANADA AND ENGLAND

CONSOLIDATED BALANCE SHEET, DECEMBER, 31, 1939

ASSETS	
REAL ESTATE, BUILDINGS, PLANT, FURNITURE AND FIXTURES, ETC.	
In Canada (at cost, less written off)	\$ 874,597.87
In England (Elkington & Co. Limited and Associated Companies) at cost, less depreciation written of	496,121.11
	\$1,370,718.98
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	\$1,253,205.49
Trade Accounts and Bills Receivable (less Reserve of \$82,342.07 for Bad and Doubtful Accounts)	789,362.95
Other Accounts Receivable	7,607.34
Miscellaneous investments at book value	647.00
Cash on hand and in bank	27,212.06
	2,078,034.84
INSURANCE AND TAXES, ETC., PREPAID	12,139.02

NOTE—In the conversion into Canadian currency of the assets and liabilities of subsidiary companies in England as at December 31, 1939, for purposes of consolidation, an exchange adjustment of \$57,229.38 was determined, and this amount has been charged to Reserve for Contingencies.

\$3,460,892.84

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
	\$5,639,700.00
<i>Issued—</i>	
Seven per cent Cumulative Preferred Shares	16,238 \$1,623,800.00
Less: Held by Associated Company	70 7,000.00
	Shares 16,168 \$1,616,800.00
Common Shares	100,000 \$ 100,000.00
Less: Held by Associated Companies	25,835 25,835.00
	Shares 74,165 74,165.00
	\$1,690,965.00
CURRENT LIABILITIES:	
Trade Accounts Payable	\$ 263,276.05
Shareholders' Loans	249,716.64
Provision for Dominion, Provincial and Other Taxes	73,214.10
	586,206.79
RESERVES:	
For Buildings	\$ 192,715.66
For Furniture, Fixtures and Fittings, etc.	254,606.84
For Contingencies	21,772.67
	469,095.17
CAPITAL RESERVE:	
Difference between par value and cost of the Company's Preferred Shares held by Associated Company	3,975.00
EARNED SURPLUS, as per statement attached	710,650.88
	NOTE:—Preferred dividends accumulated and unpaid to December 31, 1939, \$339,528.00.
	<u>\$3,460,892.84</u>

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, 1939, 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, 1939, 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 above consolidated balance sheet at December 31, 1939, 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.

Montreal, April 11, 1940.

Approved on behalf of the Board:

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

CASSIDY'S LIMITED
AND ASSOCIATED COMPANIES
IN CANADA AND ENGLAND



CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND
EARNED SURPLUS, DECEMBER 31, 1939

Combined profits from operations for the year ending December 31, 1939, before taking into account the items shown below		\$ 432,402.30
DEDUCT:		
Depreciation on buildings, plant and equipment and amortization of leases	45,356.52	
Bad Debts	15,959.80	
Interest on Loans	14,167.26	
Salaries of executive officers (including associated companies)	64,393.52	
Directors' Fees	2,628.98	
Legal Expenses	873.72	
Provision for Income Taxes	67,690.00	
		211,069.80
Operating Profit for the year		\$ 221,332.50
Earned Surplus, Balance December 31, 1938		602,494.38
		\$ 823,826.88
<i>Deduct:</i> Dividends paid on Preferred Stock to December 31, 1936		113,176.00
Earned Surplus, Balance December 31, 1939		\$ 710,650.88

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