

CASSIDY'S LIMITED



ANNUAL
REPORT
1942

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CASSIDY'S LIMITED



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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 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 ASSOCIATED COMPANIES

IN CANADA AND ENGLAND

CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1942

ASSETS	December 31		LIABILITIES	December 31	
	1942	1941		1942	1941
CURRENT ASSETS			CURRENT LIABILITIES:		
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	Bank Overdraft	\$ 347,596	\$ --
Trade Accounts and Bills Receivable, less reserve	1,676,276	1,259,231	Secured Bank Loan re Government Bonds and Employees' Victory Loan Subscriptions	62,287	--
Other Accounts Receivable	15,503	5,444	Accounts Payable	881,826	553,822
Miscellaneous Investments at book value	5,077	5,077	Shareholders' Loans	238,882	253,727
Dominion of Canada Bonds at market	49,875	--	Income and Other Taxes	929,341	730,467
Cash in Bank and on Hand			Total Current Liabilities	<u>\$2,459,932</u>	<u>\$1,538,016</u>
In England, £95,470 (1942); £29,877 (1941)	422,932	132,353	RESERVES:		
In Canada	20,054	12,215	For Buildings	241,456	225,209
Total Current Assets	<u>\$4,132,716</u>	<u>\$3,135,432</u>	For Furniture, Fixtures and Fittings, etc	262,620	260,002
			For Contingencies	17,995	17,995
				<u>\$ 522,071</u>	<u>\$ 503,206</u>
REFUNDABLE PORTION OF CANADIAN EXCESS PROFITS TAX	\$ 21,000	--	CAPITAL AND SURPLUS:		
			Capital Stock	Authorized	Issued
REAL ESTATE, BUILDINGS, PLANT, FURNITURE AND FIXTURES, ETC.			7% Cumulative Preferred Shares of \$100 each	\$5,589,700	\$1,623,800
In Canada (at cost, less written off)	861,956	888,057	Less: Held by Associated Company		7,000
In England (Elkington & Co. Limited and Associated Company) at cost, less depreciation written off	581,421	506,640	Common Shares of \$1 each	\$ 100,000	\$ 100,000
	<u>\$1,443,377</u>	<u>\$1,394,697</u>	Less: Held by Associated Companies		25,835
				74,165	74,165
INSURANCE AND TAXES, ETC., PREPAID	\$ 23,139	\$ 20,186	Capital Surplus	\$ 3,975	\$ 3,975
			Deferred Surplus		
			Refundable portion of Canadian Excess Profits Tax	\$ 21,000	\$ --
			Earned Surplus, per statement attached	\$ 922,289	\$ 814,153
			Total Capital and Surplus	<u>\$2,638,229</u>	<u>\$2,509,093</u>
	<u>\$5,620,232</u>	<u>\$4,550,315</u>			
			Note—Preferred dividends accumulated and unpaid to December 31, 1942—\$282,940.		
				<u>\$5,620,232</u>	<u>\$4,550,315</u>

Approved on behalf of the Board:

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

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 (including \$21,000 refundable portion of 1942 Canadian Excess Profits Tax).....	1,046,411	718,999
	\$1,282,550	\$ 917,984
Operating profit for the year.....	\$ 221,312	\$ 237,413
Earned surplus at beginning of year.....	\$ 814,153	\$ 744,014
<i>Less:</i> Additional provision for British Income Taxes in respect of 1940 profits.....	—	\$ 54,098
	\$ 814,153	\$ 689,916
Together.....	\$1,035,465	\$ 927,329
<i>Deduct:</i> Dividends paid on preferred stock.....	113,176	113,176
Earned surplus, per attached Balance Sheet.....	\$ 922,289	\$ 814,153

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.

