

Anglin-Norcross Corporation Limited

and Subsidiary Companies

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE PERIOD ENDING DECEMBER 31st, 1942.

Your Directors submit herewith a Consolidated Balance Sheet showing the condition of the Company at the close of our fiscal period which ended December 31st, 1942.

Adequate provision has been made for depreciation, contingencies and doubtful debts, also estimated allowances for Income and Excess Profits taxes.

Construction in 1942 was practically wholly devoted to the housing of War Industries and your Company was entrusted with a considerable amount of this work.

Your organization has exerted all its energy to these very important contracts and closely co-operated with our Government to fulfil all requirements with satisfactory results.

The volume of work carried out by your Company in 1942 was the largest in many years, but naturally minimum profits and increased taxation have affected net earnings to some extent.

It is, of course, impossible to forecast just what business conditions will be in 1943. However, a substantial amount of uncompleted contracts are now on our books and being carried forward to this year.

Our investments have shown a satisfactory return and our liquid position has been well maintained.

Your Directors regret to record the death on January 26th, 1943, of your Vice-President and General Manager, Mr. Conrad D. Harrington. His devotion to his work, his experience, outstanding ability and vibrant personality will be keenly missed.

The Directors wish to express appreciation to the Staff and Employees for their faithful, loyal and efficient services during the past trying and difficult year.

Respectfully submitted on behalf of the Directors,

HENRY J. GROSS,
PRESIDENT.

MONTREAL, APRIL 5TH, 1943.

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ANGLIN-NORCROSS CORPORATION LIMITED

Consolidated December 31, 1942

Assets

CURRENT ASSETS:

Cash on Hand and in Banks.....	\$552,407.60	
Bonds and Investments, At Cost.....	349,867.16	
(Market Value \$343,444.25)		
Accounts Receivable.....	673,987.47	
	<hr/>	
TOTAL CURRENT ASSETS.....		\$1,576,262.23
Refundable Portion of Excess Profits Tax.....		12,785.72
Material and Perishable Tool Inventories, at the lower		
of Cost or Market.....	\$ 24,434.65	
Less: Depreciation Reserve.....	21,993.23	
	<hr/>	2,441.42

FIXED ASSETS:

Plant and Equipment, At Cost.....	\$395,006.87	
Office Building, Mile End Plant and		
Iberville Granite Cutting Works,		
At Cost.....	\$170,386.20	
Properties—Montreal and Toronto.....	40,939.00	
	<hr/>	211,325.20
	<hr/>	
	\$606,332.07	
Less: Depreciation Reserve.....	337,584.65	
	<hr/>	268,747.42
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		<u>\$1,860,236.79</u>

We have audited the Books and Accounts of ANGLIN-NORCROSS CORPORATION LIMITED, and its Subsidiaries, Anglin-Norcross Quebec Limited, Anglin-Norcross Ontario Limited, National Granite Works Limited, Anglin-Norcross Maritime Limited and Rosslin Improvement Company Limited, for the year to December 31st, 1942.

We have verified the Securities and the Revenue therefrom. The usual Depreciation has been provided on Buildings, Plant and Equipment.

In our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us, and as shown by the books of the Company. All our requirements as Auditors have been complied with.

WILSON, BIRNIE & SEYMOUR,
Chartered Accountants.

MONTREAL, FEBRUARY 9TH, 1943.

Approved— { HENRY J. GROSS } Directors.
W. S. LESLIE }

LIMITED AND SUBSIDIARY COMPANIES

Balance Sheet

31st, 1942

Liabilities

CURRENT LIABILITIES:

Accounts and Bills Payable.....	\$711,527.46	
Provision for Income and Estimated Excess Profits Taxes (After prepayment of \$107,035.38).....	47,657.21	
Dividend Payable.....	118.50	
TOTAL CURRENT LIABILITIES.....		\$ 759,303.17
Investment Reserve.....		48,154.59

CAPITAL STOCK:

Preferred, 5% Redeemable, Non Cumulative		
Authorized and Issued.....65,600 Shares.....	\$656,000.00	
Less: Redeemed.....34,335 Shares.....	343,350.00	
	31,265 Shares.....	\$312,650.00
Common, No Par Value		
Authorized.....10,000 Shares.....		
Issued.....6,560 Shares.....	32,800.00	
		345,450.00
CAPITAL SURPLUS.....		343,350.00

SURPLUS—EARNED.....\$351,193.31

SURPLUS—DEFERRED

Refundable Portion of Excess Profits Tax.....	12,785.72	
		363,979.03
		<u>\$1,860,236.79</u>

SURPLUS—EARNED

Profit on Completed Contracts after providing for all Operating Expenses and Depreciation of \$21,424.04 together with Income from Investments of \$18,661.92 for the Year to December 31st, 1942....		\$ 254,129.90
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DEDUCT:

Directors Fees.....	\$ 3,008.33	
Executive Salaries.....	20,600.00	
Provision for Income and Excess Profits Taxes (of which the refundable portion is \$12,785.72).....	151,019.37	
		174,627.70

Net Profit for Year to December 31st, 1942.....	\$ 79,502.20	
Earned Surplus, December 31st, 1941.....	271,691.11	
		<u>\$ 351,193.31</u>

Anglin-Norcross Corporation Limited

BOARD OF DIRECTORS

J. P. ANGLIN	Montreal	P. N. GROSS	Montreal
G. W. BIRKS	Montreal	W. S. LESLIE	Montreal
H. J. GROSS	Montreal	G. A. LOWLES	Montreal
G. L. MAGANN	Toronto		

OFFICERS

<i>President</i>	HENRY J. GROSS
<i>Vice-President and Manager</i>	PHILIP NORCROSS GROSS
<i>Treasurer</i>	GEORGE A. LOWLES
<i>Secretary</i>	THOMAS A. GUNN

SUBSIDIARY COMPANIES

ANGLIN-NORCROSS QUEBEC LIMITED . . .	892 Sherbrooke St. W., Montreal
ANGLIN-NORCROSS ONTARIO LIMITED . . .	57 Bloor Street West, Toronto
ANGLIN-NORCROSS MARITIME LIMITED . . .	319 Roy Building, Halifax
NATIONAL GRANITE WORKS LIMITED	Iberville, Que.
ROSSLIN IMPROVEMENT COMPANY LIMITED .	892 Sherbrooke St. W., Montreal