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ALUMINIUM LIMITED

(Incorporated under the Companies Act of the Dominion of Canada)

and Fully Owned Subsidiary Companies

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FINANCIAL STATEMENT

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31st December, 1936

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# ALUMINIUM LIMITED

and Fully Owned Subsidiary Companies

## Consolidated Balance Sheet

31st December, 1936

Expressed in United States Dollars\*

### ASSETS

Land, Plants and Facilities, at cost . . . . .	\$50,824,410.82	
Less: Provision for Depreciation and Depletion . . . . .	18,455,287.02	
		\$32,369,123.80
Patents and Trademarks, at cost . . . . .	\$ 244,775.75	
Less: Provision for Amortization . . . . .	72,416.81	
		172,358.94
Investments in and Advances to Subsidiary Companies: (Capital stock more than 50% owned)		
Investments in Shares carried at . . . . .	\$ 7,586,728.15	
Advances . . . . .	3,298,179.56	
	10,884,907.71	
Less: Reserves resulting from adjustments of the values of the above investments and advances . . . . .	949,581.96	9,935,325.75
Investments in Shares of Other Allied Companies, at cost . . . . . (Capital stock not more than 50% owned)		6,276,968.15
Unamortized Expenses in connection with Issues of Bonds and Preferred Stock . . . . .		890,593.67
Indemnity and Surety Deposits . . . . .		125,586.30
Sinking Fund Balances in Hands of Trustees . . . . .		25,421.01
Prepaid Expenses and Deferred Charges to Operations . . . . .		661,798.16
Current Assets:		
Inventories of Aluminium, Materials and Supplies, at cost or market, whichever is lower, as determined by responsible officials from book and physical inventories . . . . .	\$10,288,581.93	
Advance Payments on Purchase Contracts . . . . .	89,568.60	
Accounts and Notes Receivable (Less reserves of \$32,153.44) . . . . .	6,209,355.92	
Marketable Securities, at cost (Quoted value \$412,653.09) . . . . .	323,470.59	
Cash in Banks and on Hand . . . . .	2,600,524.07	
		19,511,501.11
		<u>\$69,968,676.89</u>

Approved on behalf of the Board,

EDWARD K. DAVIS, President

J. H. ALGER, Director and Secretary



## Auditors' Report

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To the Shareholders of Aluminium Limited:

We have made an examination of the books and accounts of Aluminium Limited and its fully owned subsidiary companies in Canada for the year ending 31st December, 1936, and of authenticated statements for the year 1936 of the fully owned subsidiary companies operating outside of Canada whose books and accounts have been examined by independent auditors to varying dates within the year, and have obtained all the information and explanations we have required.

On the above basis, we report that the consolidated balance sheet attached hereto is, in our opinion, properly drawn up so as to exhibit a true and correct view of the state of the affairs of Aluminium Limited and its fully owned subsidiary companies as at 31st December, 1936, according to the best of our information and the explanations given to us, and as shown by the books of the companies and the authenticated statements referred to; and that the relative consolidated statements of profit and loss and of surplus fairly present the results of operations of Aluminium Limited and fully owned subsidiary companies for the year ending 31st December, 1936.

Pursuant to Section 114 of the Companies Act, 1934, we report that the profits and losses for the year of the subsidiary companies not fully owned and not consolidated have been included in the consolidated accounts only to the extent of dividends declared and that your Company's share of the aggregate of the profits and losses of these subsidiaries for the year exceeded the amount of such dividends, excluding the loss of one company, the investment in which has been written off against a reserve created by writing up the investment in another subsidiary company to estimated current value. At 31st December, 1936, there was, in the aggregate, a net balance at the credit of these subsidiary companies' surplus accounts, of which your Company's share since acquisition was \$1,596,702.71, excluding the accumulated deficit of the aforementioned subsidiary company, the investment in which has been written off.

PRICE, WATERHOUSE & CO.,

Auditors.

24th March, 1937



# ALUMINIUM LIMITED

and Fully Owned Subsidiary Companies

## Consolidated Statement of Profit and Loss

For the Year Ending 31st December, 1936

Expressed in United States Dollars

Net Profit for the year ending 31st December, 1936, after Depreciation and  
Depletion (see foot-note) but before taking into account the items shown below..... \$3,724,827.10

### Add:

Income from Investments .....	\$ 478,300.35	
Interest on Advances, etc .....	85,360.73	
Gain from Purchase and Redemption of Bonds .....	12,224.13	
		<u>575,885.21</u>
		\$4,300,712.31

### Deduct:

Interest on Indebtedness not maturing within one year .....	\$1,045,782.36	
Other Interest .....	188,334.35	
		<u>\$1,234,116.71</u>
Executive Salaries (Parent and fully owned subsidiary companies) .....	347,917.86	
Legal Fees .....	47,290.26	
Directors' Fees .....	19,521.32	
Amortization of Patents and Expenses in connection with Issues of Bonds and Preferred Stock .....	84,389.83	
Provision for Canadian Income Taxes .....	246,563.84	
		<u>1,979,799.82</u>

Profit for the year carried to Earned Surplus..... \$2,320,912.49

NOTE: Provision for Depreciation and Depletion for the year amounted to \$1,730,591.82 of which  
\$1,241,870.33 was charged to Cost of Production and \$488,721.49 directly against Profits.

## Consolidated Statement of Earned Surplus

Earned Surplus—31st December, 1935 .....	\$ 902,319.34
Profit for the year as above .....	<u>2,320,912.49</u>
Earned Surplus—31st December, 1936 .....	<u><u>\$3,223,231.83</u></u>



# ALUMINIUM LIMITED

and Fully Owned Subsidiary Companies

## Consolidated Balance Sheet

31st December, 1936

Expressed in United States Dollars\*

### LIABILITIES

#### Capital Stock:

6% Cumulative Redeemable Preferred Stock—Par Value \$100.00  
Outstanding—125,046 Shares ..... \$12,504,600.00

#### Common Stock—No Par Value

490,875 Shares issued for Capital Shares of Subsidiary  
and Other Companies ..... \$22,988,813.89  
135,862 Shares sold for cash ..... 3,666,845.00

626,737 Shares

26,655,658.89

#### Funded Debt:

Aluminium Limited 5% Sinking Fund Debenture Gold Bonds, due 1948  
Issued ..... \$20,000,000.00  
Less: Bonds Retired ..... 3,050,000.00

16,950,000.00

Bonds of Fully Owned Subsidiary Companies ..... 1,658,887.60

18,608,887.60

#### Notes given for acquisition of a Subsidiary Company:

Due 1st July, 1937 ..... \$ 500,000.00  
1st July, 1938 ..... 500,000.00  
1st July, 1939 ..... 200,000.00

1,200,000.00

#### Accounts Payable to Subsidiary Companies Not Consolidated

131,327.38

#### Current Liabilities:

Accounts Payable ..... \$ 2,474,953.20  
Notes Payable ..... 3,600,982.28  
Accrued Items ..... 369,811.25  
Reserves for Income and Other Taxes ..... 770,828.26

7,216,574.99

#### Operating Reserves and Deferred Credits

404,803.23

#### Unrealized Profit on Exchange

23,592.97

#### Earned Surplus

3,223,231.83

\$69,968,676.89

NOTES: Dividends of \$27.75 per Share have accumulated on the Preferred Stock.

Contingent Liabilities in respect of customers' notes discounted amount to \$256,002.50.

\*Assets and Liabilities outside of Canada are expressed at current rates of exchange 31st December, 1936, with the exception of Fixed Assets and Funded Debt, which are taken at rates determined at date of acquisition and issue. Canadian items are expressed on a dollar for dollar basis.



# ALUMINIUM LIMITED

Canada Life Building  
Toronto, Ontario, Canada

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## DIRECTORS

J. H. ALGER, Secretary

E. BLOUGH

LUDWIG BRAASCH

EDWARD K. DAVIS, President

AIMÉ GEOFFRION, K.C.,  
Geoffrion & Prud'homme,  
Montreal, P.Q., Canada

ANDRÉ HENRY-COÛANNIER, Vice-President

LEIGHTON McCARTHY, K.C., Vice-President  
President, Canada Life Assurance Company,  
Toronto, Ont., Canada

G. O. MORGAN, Jr., Vice-President

J. F. VAN-LANE, Vice-President  
McCarthy & McCarthy, Toronto, Ont., Canada

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## OFFICERS

J. W. McKEE . . . . .	Treasurer
M. B. de SOUSA PERNES. . . .	Assistant Secretary
W. C. TERRY . . . . .	Assistant Secretary