

# The Crittall Manufacturing Company, LIMITED.

## Directors.

Sir VALENTINE CRITTALL, J.P., *Chairman and Managing Director.*

WALTER CECIL CROFT BYWATER, *Managing Director.*

WALTER FRANCIS CRITTALL.

FREDERICK PICKERING WALKER.

CHARLES SANDFORD FREEMAN.

CHARLES FREDERICK LIVERMORE.

CECIL ERNEST ROGERS.

ROBERT SMALL.

HAROLD MOLTKE TROUNCER.

## Secretary.

F. G. ROGERS.

## Auditors.

KEMP, CHATTERIS, NICHOLS, SENDELL & Co., 36 Walbrook, E.C.4.

LUCKIN & SHELDRAKE, Chelmsford.

## Bankers.

BARCLAYS BANK LIMITED, 54 Lombard Street, E.C.

## Solicitors.

FRESHFIELDS, LEESE & MUNNS, 31 Old Jewry, E.C.

## Registered Office.

210 HIGH HOLBORN, W.C.1.



# REPORT OF THE DIRECTORS

For the Year ended 31st August, 1935.

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*Submitted to the Members at the Eleventh Annual General Meeting, to be held at the Holborn Restaurant, High Holborn, London, W.C.1, on Thursday, the 19th day of December, 1935, at 11 a.m.*

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The Directors in submitting to the Members the Annual Report and Accounts for the year ended 31st August, 1935, are pleased to state that the improvement in trade anticipated by them in their last Report has been fully realised and still continues.

**PROFITS.**—The Profit of £280,504 8s. 11d. compares with last year's figure of £177,094 11s. 11d. and is arrived at after charging £36,866 for upkeep of Plant and Machinery, but before making provision for depreciation.

**CAPITAL AND RESERVES.**—The issued capital and reserves remain unchanged.

**BANK OVERDRAFT, CREDITORS AND CREDIT BALANCES** amount to £494,276 11s. 11d., a decrease of £76,951 14s. 7d. compared with last year.

**FIXED ASSETS.**—Additions during the year, less amounts written off, amount to £25,465 8s. 0d.

**STOCK IN HAND.**—£331,400 8s. 6d. shows a reduction of £2,036 5s. 3d. compared with last year.

**DEBTORS.**—Amounts due by Subsidiary Companies total £765,461 10s. 6d., an increase of £25,829 2s. 4d., while Sundry Debtors and Debit Balances are increased by £59,610 15s. 10d., due to the increased volume of trade.

**INVESTMENTS.**—The Holdings in Subsidiary Companies and Shares in Associated Companies amount to £924,606 11s. 0d., an increase of £13,234 16s. 10d.

Conditions overseas have improved, and the steps taken by your Board have resulted in the Foreign and Colonial Subsidiaries and Associated Companies, with only one exception, having made a Profit for the year.

There still remain, however, heavy Capital depreciations, and it is proposed to deal with these by a Reduction and Reorganisation of Capital.



# CRITTALL

## MANUFACTURING CO LTD

### OF BRAINTREE ENGLAND

HEAD OFFICE AND LONDON SHOWROOMS: 210 HIGH HOLBORN LONDON WC1  
CABLES: CRITMANCO LONDON CODES: BENTLEY'S COMPLETE PHRASE ABC 6th EDITION  
MANCHESTER LEICESTER BRISTOL SIDCUP GLASGOW NEWCASTLE SOUTHAMPTON

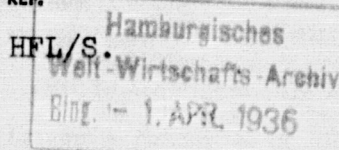
YOUR REF.

OUR REF.

**210 HIGH HOLBORN  
LONDON WC1**

TELEPHONE HOLBORN 6612-6619

TELEGRAMS: CRITMANCO  
WESTCENT LONDON



30th March, 1936.

Hamburgisches Welt-Wirtschafts-Archiv,  
Poststrasse 19,  
HAMBURG 36.

Dear Sirs,

As requested in your letter of the 27th inst.,  
we enclose herewith copy of the Directors' last Report  
and Balance Sheet.

Yours faithfully,  
THE CRITTALL MANUFACTURING CO. LTD.

Assistant Secretary.

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**APPROPRIATION OF PROFITS.—**

The balance of profit for the year is										£280,504	8	11
to which is to be added the balance brought forward from last year of										81,356	16	7
<i>Deduct</i> Interest on Loans, Debenture Stock and Notes, and Directors' Fees										£361,861	5	6
										97,057	4	7
<i>Deduct</i> provision for depreciation										£25,000	0	0
and												
Transfer to Reorganisation Suspense Account										67,534	0	0
										92,534	0	0
Balance available										£172,270	0	11
Out of this balance it is proposed, subject to the conditions referred to below, to pay the dividend on the 7% Preference Shares from December 1st, 1931, to August 31st, 1935, requiring a sum after deduction of Income Tax of										101,718	15	0
Leaving a Balance to be carried forward (subject to the expenses of the Reorganisation Proposals) of										£70,551	5	11

**REORGANISATION.**—A circular letter explaining the proposals for the Reduction and Reorganisation of Capital, together with the appropriate notices and proxies, accompany this Report. Shareholders will observe from the circular letter that the proposals provide, *inter alia*, for the replacement of the existing 6% Debenture Stock and Bank Loan by an issue of 4½% Debenture Stock, and the repayment of the 6½% Registered Notes by means of an issue of 5½% Preference Shares. The 7% Preference Shares will be unaffected both as regards capital and income, and the Ordinary Shares, while being reduced in nominal value, will remain entitled to the whole of the equity in the Company and will benefit by the reduction in the amount of interest and dividend charges ranking before them.

Subject to the proposals being approved by the Shareholders and the Court, the Board recommend the declaration out of the profits for the year ended 31st August, 1935, of the dividend on the 7% Preference Shares for the period from 1st December, 1931, to 31st August, 1935, thus extinguishing all arrears; payment of such dividend to be made immediately the above-mentioned issues of Debenture Stock and Preference Shares have been effected.

**DIRECTORS.**—Under the provisions of the Articles of Association, Mr. C. F. Livermore, Mr. C. E. Rogers and Mr. F. Pickering Walker, retire from the Board, and, being eligible, offer themselves for re-election.

**AUDITORS.**—Messrs. Kemp, Chatteris, Nichols, Sendell & Co. and Messrs. Luckin and Sheldrake, retire, and offer themselves for re-appointment.

By order of the Board,

F. G. ROGERS,  
*Secretary.*

210 HIGH HOLBORN,  
LONDON, W.C.1.

27th November, 1935.

# THE CRITTALL MANUFACTURING

## BALANCE SHEET

### LIABILITIES.

	£	s.	d.	£	s.	d.
<b>CAPITAL AUTHORISED AND ISSUED—</b>						
1,000,000 Ordinary Shares of £1 each, fully paid ...	1,000,000	0	0			
500,000 7 per Cent. Cumulative Preference Shares of £1 each, fully paid ...	500,000	0	0			
				1,500,000	0	0
£500,000 6 per Cent. Secured Debenture Stock, plus accrued interest to 31st August, 1935 ...				507,500	0	0
£750,000 6½ per Cent. Registered Notes, plus accrued interest to 31st August, 1935 ...				774,375	0	0
<b>CREDITORS—</b>						
Loans and Bank Overdraft (secured) ...	195,255	11	7			
Sundry Creditors and Credit Balances ...	299,021	0	4			
				494,276	11	11
General Reserve ...				80,000	0	0
Profit and Loss Account Balance ...				264,804	0	11

NOTE.—There is a contingent liability in respect of Bills discounted.

The Cumulative Preference dividend has been unpaid since 1st December, 1931.

£3,620,955 12 10

### CERTIFICATE RE SUBSIDIARY COMPANIES.

In accordance with Section 126 of the Companies Act, 1929, your Directors beg to state that in respect of Subsidiary Companies credit has been taken in the annexed Account for the Dividends actually declared out of profits earned up to the 31st August, 1935. Profits for the year not distributed in dividends have been carried forward in the Accounts of each Subsidiary Company concerned.

VALENTINE CRITTALL, } Directors.  
W. CECIL BYWATER,

# COMPANY, LIMITED.

as at 31st August, 1935.

### ASSETS.

	£	s.	d.	£	s.	d.
<b>FIXED ASSETS—</b>						
Land and Buildings, Plant, Machinery, Fixtures, Tools, Motor Cars, Lorries, &c., as per last Balance Sheet, at cost, less Depreciation provided to 31st August, 1931	1,245,628	1	0			
Additions during the year, at cost, less Sales and Obsolescence ...	25,465	8	0			
				1,271,093	9	0
<b>STOCK IN HAND—</b>						
Manufactured and partly Manufactured Goods, Work in Progress, and Raw Materials, as certified by the Managing Directors ...				331,400	8	6
<b>INVESTMENTS—</b>						
Shares in Subsidiary Companies, including amounts prepaid, at cost..	£754,966	19	2			
Less amount unpaid ...	5,508	2	2			
				749,458	17	0
Shares in Associated Companies, at cost ...				175,147	14	0
				924,606	11	0
<b>DEBTORS—</b>						
Loan to Silver End Development Company, Ltd. ...	499,878	8	4			
Amounts due by other Subsidiary Companies ...	265,583	2	2			
Sundry Debtors and Debit Balances (less Reserve for Doubtful Debts) ...	326,942	2	5			
				1,092,403	12	11
Cash at Bank, in Hand and in Transit ...				1,451	11	5
VALENTINE CRITTALL, } Directors. W. CECIL BYWATER,						
				£3,620,955	12	10

### AUDITORS' REPORT.

We report to the Members of THE CRITTALL MANUFACTURING COMPANY, LIMITED, as follows:—

We have examined the above Balance Sheet with the Books of the Company and with the Certificates and Statements which have been produced to us in respect of the overseas holdings and have obtained all the information and explanations we have required. In our opinion further provision should be made for depreciation and obsolescence of fixed assets; moreover, the share holdings in and amounts due from the Subsidiary and Associated Companies and from The Silver End Development Company, Limited, appear in the Balance Sheet at figures considerably in excess of their present value. Subject thereto we are of opinion that such 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.

36 WALBROOK, LONDON, E.C.4.

26th November, 1935.

KEMP, CHATTERIS, NICHOLS, SENDELL & CO., Chartered Accountants.  
LUCKIN & SHELDRAKE, Chartered Accountants.



# THE CRITTALL MANUFACTURING

## PROFIT AND LOSS ACCOUNT

	£	s.	d.
To Interest on Bank and other Loans ... ..	16,807	4	7
„ Directors' Fees ... ..	1,500	0	0
„ Balance carried to Profit and Loss Appropriation Account ... ..	262,197	4	4
	£280,504	8	11

## PROFIT AND LOSS

	£	s.	d.
To Interest on 6 per Cent. Debenture Stock ... ..	30,000	0	0
„ Interest on 6½ per Cent. Registered Notes ... ..	48,750	0	0
„ Balance carried to Balance Sheet ... ..	264,804	0	11
	£343,554	0	11

# COMPANY, LIMITED.

for the Year ended 31st August, 1935.

	£	s.	d.
By Profit for the year on Trading, including Dividends receivable ...	280,212	6	5
„ Transfer Fees ... ..	292	2	6
	£280,504	8	11

## APPROPRIATION ACCOUNT.

	£	s.	d.
By Balance as per 1934 Accounts ... ..	81,356	16	7
„ Profit for the year ended 31st August, 1935 ... ..	262,197	4	4
	£343,554	0	11

# The Crittall Manufacturing Company, LIMITED.

## Directors.

Sir VALENTINE CRITTALL, J.P., *Chairman and Managing Director.*  
WALTER FRANCIS CRITTALL.      FREDERICK PICKERING WALKER.  
CHARLES SANDFORD FREEMAN.      CHARLES FREDERICK LIVERMORE.  
CECIL ERNEST ROGERS.      ROBERT SMALL.  
HAROLD MOLTKE TROUNCER.      HORACE ANDREW HOLMES.

## Secretary.

F. G. ROGERS.

## Auditors.

KEMP, CHATTERIS, NICHOLS, SENDELL & Co., 36 Walbrook, E.C.4.  
LUCKIN & SHELDRAKE, Chelmsford.

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BARCLAYS BANK LIMITED, 54 Lombard Street, E.C.

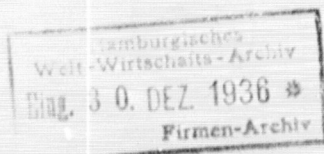
## Solicitors.

FRESHFIELDS, LEESE & MUNNS, 31 Old Jewry, E.C.

## Registered Office.

210 HIGH HOLBORN, W.C.1.





## REPORT OF THE DIRECTORS

For the Year ended 31st August, 1936.

*To be submitted to the Members at the Twelfth Annual General Meeting, to be held at the Holborn Restaurant, High Holborn, London, W.C.1, on Thursday, the 10th day of December, 1936, at 12 noon.*

The Directors, in submitting to the Members the Annual Report and Accounts for the year ended 31st August, 1936, are pleased to state that despite increased cost of both material and labour the profits have exceeded the previous year and the results of the current year to date are encouraging.

**PROFITS.**—The profit of £292,097 3s. 2d. compares with last year's figure of £280,504 8s. 11d. and is arrived at after charging £42,706 for upkeep of Plant and Machinery. It will be observed that depreciation of £26,000 has also been provided.

**BALANCE SHEET.**—In the attached Balance Sheet effect has been given to the reorganisation of capital as at the 31st August, 1935, in accordance with the details submitted in the circular issued to the shareholders on the 27th November, 1935, and outlined in the prospectus dated the 22nd January, 1936.

**CAPITAL.**—The Share Capital of the Company has been reconstituted in accordance with the reconstruction proposals approved by the Shareholders last year, and which were subsequently confirmed by the Court.

**GENERAL RESERVE.**—The sum of £80,000 which appeared in the Accounts of last year has been utilised in accordance with the proposals for Capital reconstruction referred to above. The sum of £14,534 9s. 8d., surplus from the premiums on the new issues, has been transferred to General Reserve. It is proposed to reinstate this Reserve at its original figure of £80,000 by the appropriation from profits of £65,465 10s. 4d.

**CREDITORS AND CREDIT BALANCES** amount to £358,686 14s. 6d., an increase of £59,665 14s. 2d., but the Bank overdraft of £195,255 11s. 7d. as at 31st August, 1935, now becomes a credit Balance of £58,020 1s. 5d.

**LAND AND BUILDINGS, PLANT AND MACHINERY, Etc.**—The cost of additions during the year, less sales, obsolescence and depreciation amounted to £22,309 8s. 2d.

**STOCK.**—£321,606 17s. 5d. shows a reduction of £9,793 11s. 1d.

**DEBTORS.**—Amounts due by The Silver End Development Co. Ltd. and other Subsidiary Companies show a considerable reduction, due to the amounts written off under the Reorganisation

Scheme. The Sundry Debtors and Debit Balances, £394,423 7s. 1d. show an increase of £67,481 4s. 8d., as compared with last year which is due to the increased volume of trade.

**INVESTMENTS.**—The holdings in Subsidiary and Associated Companies have been written down under the Reorganisation Scheme but include an addition during the year of £15,000 extra capital invested in the South African Company.

Conditions overseas continue to improve, and all the Foreign and Colonial Subsidiary Companies have made a profit during the year.

#### APPROPRIATION OF PROFITS.—

As indicated in the last Report of the Directors, the balance of Profit and Loss brought forward of £70,551 5s. 11d. has been utilised in the payment of the expenses of the Reorganisation Scheme as shown in the accounts.

There remains, therefore, a balance of profit for the year of	...	...	£292,097	3	2
<i>Deduct</i> Interest on Loans, Debenture Stock and Registered Notes,	...	...	127,427	7	3
Dividend on Preference Shares and Directors' Fees	...	...	164,669	15	11
			26,000	0	0
<i>Deduct</i> Provision made for depreciation to 31st August, 1936	...	...	£138,669	15	11
Balance available	...	...			

Out of this it is proposed :—

To transfer to General Reserve Account the sum of	...	...	£65,465	10	4
(Making a total of £80,000).					
To transfer to Special Reserve for a Staff Pension Scheme	...	...	10,000	0	0
To pay a dividend of 20 per cent. on the Ordinary Share Capital of	...	...	50,000	0	0
£250,000, which will absorb the sum of	...	...	13,204	5	7
Leaving a balance to be carried forward of	...	...	£138,669	15	11

**DIRECTORS.**—During the year the Board has been strengthened by the appointment of Mr. H. A. Holmes as a Director. His wide experience will be of great value to the Company. This appointment requires your confirmation.

Under the provisions of the Articles of Association, Mr. W. F. Crittall and Mr. R. Small retire from the Board and, being eligible, offer themselves for re-election.

Mr. W. C. C. Bywater has retired from the Board and does not seek re-election.

**AUDITORS.**—Messrs. Kemp, Chatteris, Nichols, Sendell & Co. and Messrs. Luckin and Sheldrake, retire, and offer themselves for re-appointment.

By order of the Board,

F. G. ROGERS,  
Secretary.

210, HIGH HOLBORN,  
LONDON, W.C.1.

1st December, 1936.



# THE CRITTALL MANUFACTURING

## BALANCE SHEET

### LIABILITIES.

	£	s.	d.	£	s.	d.
SHARE CAPITAL AUTHORISED AND ISSUED—						
750,000 5½ per cent. First Cumulative Preference Shares of £1 each, fully paid...	750,000	0	0			
500,000 7 per cent. Second Cumulative Preference Shares of £1 each, fully paid	500,000	0	0			
1,000,000 Ordinary Shares of 5s. each, fully paid	250,000	0	0			
				1,500,000	0	0
LOAN CAPITAL—4½ per cent. First Mortgage Debenture Stock						
AUTHORISED ...	1,000,000	0	0			
ISSUED—£850,000 plus accrued interest to 31st August, 1936				856,375	0	0
Sundry Creditors and Credit Balances, including Preference Dividends accrued to 31st August, 1936				358,686	14	6
GENERAL RESERVE ACCOUNT—						
Balance of Revenue Account at 31st August, 1935, brought forward	70,551	5	11			
Balance of Premiums on issue and redemption of Share and Debenture Capital	18,068	0	0			
	88,619	5	11			
Less Reorganisation Expenses	74,084	16	3			
				14,534	9	8
Profit and Loss Account Balance				138,669	15	11
NOTE: There is a Contingent Liability under a guarantee on behalf of an Associated Company.						
				£2,868,266	0	1

### CERTIFICATE RE SUBSIDIARY COMPANIES.

In accordance with Section 126 of the Companies Act, 1929, your Directors beg to state that in respect of Subsidiary Companies credit has been taken in the annexed Account for the Dividends actually declared out of profits earned up to the 31st August, 1936. Profits for the year not distributed in dividends have been carried forward in the Accounts of each Subsidiary Company concerned, and the loss made by one Subsidiary Company has been provided for in these accounts.

V. G. CRITTALL, } Directors.  
W. F. CRITTALL, }

# COMPANY, LIMITED.

as at 31st August, 1936.

### ASSETS.

	£	s.	d.	£	s.	d.
FREEHOLD AND LEASEHOLD LAND AND BUILDINGS, Plant, Machinery, Fixtures, Tools, Motor Cars, Lorries, etc., as valued upon reorganisation of capital as at 31st August, 1935						
...	1,178,997	9	0			
Additions at cost less sales, obsolescence and depreciation, provided to 31st August, 1936	22,309	8	2			
				1,201,306	17	2
STOCK—						
Manufactured and partly Manufactured Goods, Work in Progress, and Raw Materials, as certified by the Managing Director				321,606	17	5
INVESTMENTS—						
Shares in Subsidiary Companies as valued upon reorganisation of capital as at 31st August, 1935, plus additions at cost	180,982	4	7			
Shares in Associated Companies as valued upon reorganisation of capital as at 31st August, 1935	155,147	14	0			
				336,129	18	7
DEBTORS—						
Loan to Silver End Development Co. Ltd., after giving effect to amount written off upon reorganisation of capital at 31st August, 1935	347,384	17	1			
Amounts due from other Subsidiary Companies after giving effect to amounts written off upon reorganisation of capital at 31st August, 1935	209,394	1	4			
Sundry Debtors and Debit Balances (less Reserve for Doubtful Debts)...	394,423	7	1			
				951,202	5	6
Cash at Bank, in Hand and in Transit				58,020	1	5
				£2,868,266	0	1

V. G. CRITTALL, }  
W. F. CRITTALL, } Directors.

### AUDITORS' REPORT.

We report to the Members of THE CRITTALL MANUFACTURING COMPANY, LIMITED, as follows:—

We have examined the above Balance Sheet with the Books of the Company and with the Certificates and Statements which have been produced to us in respect of the overseas holdings and have obtained all the information and explanations we have required. In our opinion such 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.

36 WALBROOK, LONDON, E.C.4.  
1st December, 1936.

KEMP, CHATTERIS, NICHOLS, SENDELL & CO., Chartered Accountants.  
LUCKIN & SHELDRAKE, Chartered Accountants.



# THE CRITTALL MANUFACTURING

## PROFIT AND LOSS ACCOUNT

	£	s.	d.
To Interest on Bank and other Loans ... ..	8,229	12	5
„ Directors' Fees ... ..	1,500	0	0
„ Balance carried to Profit and Loss Appropriation Account ... ..	282,367	10	9
	<u>£292,097</u>	<u>3</u>	<u>2</u>

## PROFIT AND LOSS

	£	s.	d.
To Interest on 6 per Cent. Debenture Stock to date of Conversion or Redemption	18,655	6	3
„ Interest on 6½ per Cent. Registered Notes to date of Conversion or Redemption	21,619	19	0
„ Interest on 4½ per Cent. Debenture Stock from 1st February, 1936 ... ..	18,359	19	7
„ Dividend on 5½ per Cent. First Preference Shares from 1st February, 1936	24,062	10	0
„ Dividend on 7 per Cent. Second Preference Shares for the year ended 31st August, 1936 ... ..	35,000	0	0
„ Provision for Depreciation to 31st August, 1936 ... ..	26,000	0	0
„ Balance carried to Balance Sheet ... ..	138,669	15	11
	<u>£282,367</u>	<u>10</u>	<u>9</u>

# COMPANY, LIMITED.

## for the Year ended 31st August, 1936.

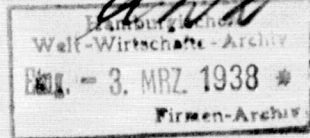
	£	s.	d.
By Profit for the year on Trading, including Dividends receivable and provision for Income Tax not required (£9,500 0s. 0d.) ... ..	291,408	13	2
„ Transfer Fees ... ..	688	10	0
	<u>£292,097</u>	<u>3</u>	<u>2</u>

## APPROPRIATION ACCOUNT.

	£	s.	d.
By Profit for the year ended 31st August, 1936 ... ..	282,367	10	9
	<u>£282,367</u>	<u>10</u>	<u>9</u>



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# The Crittall Manufacturing Company, LIMITED.

## Directors.

Sir VALENTINE CRITTALL, J.P., <i>Chairman and Managing Director.</i>	
WALTER FRANCIS CRITTALL.	FREDERICK PICKERING WALKER.
CHARLES SANDFORD FREEMAN.	CHARLES FREDERICK LIVERMORE.
CECIL ERNEST ROGERS.	ROBERT SMALL.
HAROLD MOLTKE TROUNCER.	HORACE ANDREW HOLMES.

## Secretary.

F. G. ROGERS.

## Auditors.

KEMP, CHATTERIS, NICHOLS, SENDELL & Co., 36 Walbrook, E.C.4.  
LUCKIN & SHELDRAKE, Chelmsford.

## Bankers.

BARCLAYS BANK LIMITED, 54 Lombard Street, E.C.

## Solicitors.

FRESHFIELDS, LEESE & MUNNS, 31 Old Jewry, E.C.

## Registered Office.

210 HIGH HOLBORN, W.C.1.

# REPORT OF THE DIRECTORS

For the Year ended 31st August, 1937.

*To be submitted to the Members at the Thirteenth Annual General Meeting, to be held at the Holborn Restaurant, High Holborn, London, W.C.1, on Thursday, the 9th day of December, 1937, at 12 noon.*

**PROFITS.**—The profit of £287,995 compares with last year's figure of £282,367 and is arrived at after charging £56,897 for upkeep of Plant and Machinery. Depreciation of £30,000 has also been provided.

## APPROPRIATION OF PROFITS.—

The balance of Profit for the year ended 31st August, 1937, is	...	£287,994	16	8
To which has been added the balance brought forward from last year		13,204	5	7
				<hr/>
		301,199	2	3
<i>Deduct</i> Interest on the Debenture Stock and Dividends on Preference Shares	... ..	114,500	0	0
				<hr/>
		£186,699	2	3
<i>Deduct</i> Provision made for Depreciation to 31st August, 1937	...	30,000	0	0
				<hr/>
Balance available	... ..	£156,699	2	3
				<hr/>
Out of this it is proposed :—				
To transfer to General Reserve Account the sum of	... ..	£70,000	0	0
(Making a total of £150,000).				
To pay a dividend of 25 per cent. on the Ordinary Share Capital of £250,000, which will absorb the sum of	... ..	62,500	0	0
Leaving a balance to be carried forward	... ..	24,199	2	3
				<hr/>
		£156,699	2	3
				<hr/>



**INVESTMENTS.**—The shares in Subsidiary Companies have been increased by £30,000, which represents capital subscribed to a new company—Wood Surrounds Limited—who supply the Company with a large portion of their wood requirements.

**CAPITAL.**—A Resolution to increase the Capital of the Company by the creation of 500,000 additional Ordinary Shares will be submitted to the Meeting.

It is proposed to issue only a portion of these Shares at an early date, and they will be offered to holders of existing Ordinary Shares by way of "rights" at a price to be fixed.

**DIRECTORS.**—Under the provisions of the Articles of Association Mr. H. M. Trouncer, Mr. C. S. Freeman and Mr. C. F. Livermore retire from the Board and, being eligible, offer themselves for re-election.

**AUDITORS.**—Messrs. Kemp, Chatteris, Nichols, Sendell & Co. and Messrs. Luckin and Sheldrake, retire, and offer themselves for re-appointment.

By order of the Board,

F. G. ROGERS,

210, HIGH HOLBORN,

*Secretary.*

LONDON, W.C.1.

*1st December, 1937.*

# THE CRITTALL MANUFACTURING

## BALANCE SHEET

31st August,  
1936.

### LIABILITIES.

£	£	s.	d.	£	s.	d.
SHARE CAPITAL AUTHORISED AND ISSUED—						
750,000 5½ per cent. First Cumulative Preference Shares of £1 each, fully paid...	750,000	0	0			
500,000 7 per cent. Second Cumulative Preference Shares of £1 each, fully paid	500,000	0	0			
1,000,000 Ordinary Shares of 5s. each, fully paid	250,000	0	0			
				1,500,000	0	0
LOAN CAPITAL—4½ per cent. First Mortgage Debenture Stock						
AUTHORISED ... ..	1,000,000	0	0			
ISSUED—£850,000 plus accrued interest to 31st August, 1937				856,375	0	0
CREDITORS—						
Sundry Creditors and Credit Balances, including Preference Dividends accrued to 31st August, 1937 ...	393,261	18	11			
Amounts due to Subsidiary Companies ... ..	18,359	1	6			
				411,621	0	5
14,534 GENERAL RESERVE ACCOUNT ... ..				80,000	0	0
138,670 Profit and Loss Account Balance ... ..				156,699	2	3
NOTE: There is a Contingent Liability under a guarantee on behalf of an Associated Company.						
£2,868,266				£3,004,695	2	8

### CERTIFICATE RE SUBSIDIARY COMPANIES.

In accordance with Section 126 of the Companies Act, 1929, your Directors beg to state that in respect of Subsidiary Companies credit has been taken in the annexed Account for the Dividends actually declared out of profits earned up to the 31st August, 1937. Profits for the year not distributed in dividends have been carried forward in the Accounts of each Subsidiary Company concerned.

V. G. CRITTALL, }  
W. F. CRITTALL, } *Directors.*

# COMPANY, LIMITED.

as at 31st August, 1937.

31st August,  
1936.

### ASSETS.

£	£	s.	d.	£	s.	d.
FREEHOLD AND LEASEHOLD LAND AND BUILDINGS, Plant, Machinery, Fixtures, Tools, Motor Cars, Lorries, etc., as valued at 31st August, 1935, plus Additions at cost, less Sales Obsolescence and Depreciation to 31st August, 1937						
1,201,307						1,257,699 18 3
STOCK-IN-TRADE AND WORK IN PROGRESS—						
321,607	As certified by the Managing Director ... ..					322,111 11 3
INVESTMENTS—						
180,982	Shares in Subsidiary Companies as valued at 31st August, 1935, plus Additions at cost ... ..			210,982	4	7
155,148	Shares in Associated Companies as valued at 31st August, 1935, plus Additions at cost ... ..			156,017	15	0
						366,999 19 7
DEBTORS—						
347,385	Amount due from Silver End Development Co. Ltd. ...			344,756	0	9
209,394	Amounts due from other Subsidiary Companies ...			204,349	19	7
394,423	Sundry Debtors and Debit Balances (less Reserve for Doubtful Debts)... ..			374,756	14	10
						923,862 15 2
58,020	CASH AT BANK, IN HAND AND IN TRANSIT ... ..					134,020 18 5
£2,868,266						£3,004,695 2 8

V. G. CRITTALL, }  
W. F. CRITTALL, } *Directors.*

### AUDITORS' REPORT.

We report to the Members of THE CRITTALL MANUFACTURING COMPANY, LIMITED, as follows:—

We have examined the above Balance Sheet with the Books of the Company and with the Certificates and Statements which have been produced to us in respect of the overseas holdings and have obtained all the information and explanations we have required. In our opinion such 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.

36 WALBROOK, LONDON, E.C.4.  
1st December, 1937.

KEMP, CHATTERIS, NICHOLS, SENDELL & CO., *Chartered Accountants.*  
LUCKIN & SHELDRAKE, *Chartered Accountants.*



# THE CRITTALL MANUFACTURING

## PROFIT AND LOSS ACCOUNT

	£	s.	d.
To Directors' Fees ... ..	1,500	0	0
„ Balance carried to Profit and Loss Appropriation Account ... ..	287,994	16	8
	<u>£289,494</u>	<u>16</u>	<u>8</u>

## PROFIT AND LOSS

	£	s.	d.
To Interest on 4½ per Cent. Debenture Stock for the year ended 31st August, 1937 ... ..	38,250	0	0
„ Dividend on 5½ per Cent. First Preference Shares for the year ended 31st August, 1937 ... ..	41,250	0	0
„ Dividend on 7 per Cent. Second Preference Shares for the year ended 31st August, 1937 ... ..	35,000	0	0
„ Provision for Depreciation to 31st August, 1937 ... ..	30,000	0	0
„ Balance carried to Balance Sheet ... ..	156,699	2	3
	<u>£301,199</u>	<u>2</u>	<u>3</u>

# COMPANY, LIMITED.

for the Year ended 31st August, 1937.

	£	s.	d.
By Profit for the year on Trading, including Dividends receivable ... ..	289,127	11	8
„ Transfer Fees ... ..	367	5	0
	<u>£289,494</u>	<u>16</u>	<u>8</u>

## APPROPRIATION ACCOUNT.

	£	s.	d.
By Balance brought forward from the previous year ... ..	13,204	5	7
„ Profit for the year ended 31st August, 1937 ... ..	287,994	16	8
	<u>£301,199</u>	<u>2</u>	<u>3</u>



## The Financial News (London)

12305  
NL

A Copy of the Full Prospectus has been filed with the Registrar of Joint Stock Companies.  
Application will be made to the Committee of the London Stock Exchange for special permission to  
deal in the Shares now offered.  
The SUBSCRIPTION LIST will OPEN on TUESDAY, the 7th day of October, and will  
CLOSE on or before THURSDAY, the 9th day of October, 1924.

# THE CRITTALL MANUFACTURING

COMPANY, LIMITED.

(Incorporated under the Companies Acts, 1908 to 1917.)

Makers of Metal Windows, Doors, Casements, Bronze Work, &c.

CAPITAL £450,000,

DIVIDED INTO

Authorised.  
£250,000 8 per Cent. Cumulative Participating Preference Shares of £1 each ... £250,000  
£250,000 Ordinary Shares of £1 each ... £250,000  
ISSUE OF 201,050 8 PER CENT. CUMULATIVE PARTICIPATING PREFERENCE SHARES  
OF £1 EACH, AND 176,650 ORDINARY SHARES OF £1 EACH.  
140,000 of the 8 per Cent. Cumulative Participating Preference Shares  
of £1 each are now offered for subscription at par.

Issued or included in  
present issue.  
£170,050

BARCLAYS BANK LIMITED, 54 Lombard Street, E.C.3; Braintree and Branches, are  
authorised as Bankers to the Company to receive applications for the above 140,000 8 per Cent. Cumulative  
Participating Preference Shares of £1 each, payable as follows:—2s. 6d. per Share on Application;  
7s. 6d. per Share on Allotment; 10s. per Share on the 1st December, 1924—20s.  
£1,050 Preference Shares and 176,650 Ordinary Shares of this issue will be allocated as fully paid to the  
holders of the Share Capital of the old Crittall Manufacturing Company Limited, the Vendor Company,  
in full payment of the purchase price.

The Preference Shares are entitled to a fixed Cumulative Preferential Dividend at the rate of  
8 per centum per annum on the Capital for the time being paid thereon, and are entitled (after a  
dividend at the rate of 8 per centum per annum shall have been paid on the Ordinary Shares) to  
rank equally with the Ordinary Shares for a further dividend up to the rate of 2 per centum per  
annum on the capital paid up on such Preference Shares; and rank both as to Capital and the fixed  
dividend of 8 per centum in priority to the Ordinary Shares.

The fixed dividend of 8 per centum on the Preference Shares will be payable half-yearly on the  
1st June and 1st December in each year. The first dividend in respect of the Preference Shares  
now offered for subscription will be payable on the 1st December, 1924, calculated from the respective  
dates of payment of instalments.

No Debentures or Debenture Stock (other than Debentures or charges to the Company's Bankers  
to secure overdrafts and advances, or loans from such Bankers) and no further Shares ranking in  
priority to or pari passu with the 250,000 8 per Centum Cumulative Participating Preference Shares  
can be created without the sanction of an Extraordinary Resolution passed at a Meeting of holders  
of the Preference Shares, specially convened for the purpose in accordance with the Company's  
Articles of Association.

### DIRECTORS.

F. H. CRITTALL, J.P., 15 York House, Portman Square, W. (Chairman and Governing Director).  
V. G. CRITTALL, M.P., New House, Chelmsford (Managing Director).  
W. F. CRITTALL, A. Coates, Bocking, Braintree, Manufacturer.  
E. H. RUNNACLES, Branwoods, Gt. Baddow, Chelmsford, Manufacturer.  
W. C. C. BYWATER, Causeway, Bocking, Braintree, Manufacturer.  
F. P. WALKER, 15 Elsworth Terrace, Hampstead, Manufacturer.

BANKERS.—BARCLAYS BANK LIMITED, 54 Lombard Street, E.C.3; Braintree and Branches  
BROKERS.—READ & BRIGSTOCK, English House, 58 Gresham Street, E.C.2.

SOLICITORS.—FRESHFIELDS, LEEKE & MUNN, 31 Old Jewry, E.C.2.

AUDITORS.—KEMP, CHATTERIS, NICHOLS, SENDELL & CO., 36 Walbrook, E.C. 4. LUCKIN  
& SHELDRAKE, Bank Chambers, Chelmsford.

LONDON OFFICE AND SHOWROOMS.—24 High Holborn, W.C.2.

SECRETARY AND REGISTERED OFFICE.—F. G. ROGERS, The Manor Works, Braintree, Essex.

### ABRIDGED PROSPECTUS.

The Company has been formed to take over the old-established family business of The Crittall  
Manufacturing Company, Ltd., which was formed in the year 1889 by Mr. Francis Henry Crittall, J.P.,  
the Governing Director of the Company. No intermediate profit has been or will be paid and the  
whole of the purchase consideration will be satisfied by the allocation to the Vendors of 61,650 Pre-  
ference Shares and 176,650 Ordinary Shares credited as fully paid. The purchase has been effected as  
from the 1st June, 1924, and all profits earned since that date will become the property of the  
Company.

The business was established in 1889, and has attained its present importance and prosperity from  
a comparatively small beginning through the high quality of its products and workmanship. The  
Company at the present time has over 1,600 employees.

The factories and laid adjoining, situated at Braintree and Witham, both in Essex, are freehold  
and comprise approximately 17 acres.

The expansion of the business has been so rapid of late years and has grown to such a marked  
degree that the limits of the output of its factories has been reached, and further extensions are  
immediately necessary to cope successfully with the flow of orders which show signs of still further  
expansion. So urgent have the extensions become that some portion of the work has already been  
put in hand.

The proceeds of the present issue will be devoted towards meeting this expenditure and to the  
general purposes of the Company.

The Company manufactures high-class metal casements, doors, ornamental bronze work and the  
like, the bronze doors recently supplied to the London County Council for the County Hall, West-  
minster, being a striking example of this class of product. The Company has equipped its factory at  
Witham exclusively for the mass production of standardized types of windows and doors, and these  
are being profitably marketed at rates that are cheaper to the consumer than wooden windows.

The Braintree works comprises bronze foundry, loading dock and railway siding, and these works,  
together with the Witham Works, which also have siding accommodation on to the main line of the  
L. & N. E. Railway, and an additional factory at Maldon (also in Essex) recently acquired and now  
being fitted up in order to relieve the pressure at Braintree, are in first rate order and fully equipped  
with the latest and most efficient type of machinery.

The Company holds the majority of the Shares and controls the majority of the voting power  
in its subsidiary companies of:—The Crittall Manufacturing Company (India) Limited, and The  
Crittall Manufacturing Company (South Africa) Limited, with a factory at Durban, and has  
interests in:—Crittall, Jacks and Company, Cairo, Egypt (a partnership firm for exploiting Egypt,  
the Sudan and Palestine), The Crittall Casement Window Company, Detroit, U.S.A.; Messrs. F. W.  
Grant, Holland, both of which firms manufacture under licence from the Company. The Com-  
pany has also a branch office in Shanghai known as The Crittall Manufacturing Company Limited  
(China Branch).

The Company has Agencies and representatives in other parts of the world, and in particular  
Canada, Belgium, the Argentine, Brazil, the Federated Malay States, Hongkong, Singapore, and  
the West Indies and Kenya Colony.

As will be seen from the Auditors' certificate below, the profits are substantial:—

BANK CHAMBERS, CHELMSFORD.

9th September, 1924.

To the Directors of THE CRITTALL MANUFACTURING COMPANY, LTD.

Gentlemen—We have audited the accounts of The Crittall Manufacturing Company, Ltd., since the  
Incorporation of the Company and certify that the average annual profit for the ten years ended 31st May,  
1923, after charging all trading expenses, but before allowing for ordinary and special depreciation, taxa-  
tion, interest, Governing Director's salary and Directors' fees was £24,127.

The profit for the year ended 31st May, 1924, after charging all trading expenses, but before allowing for  
depreciation, taxation, interest, Governing Director's salary and Directors' fees, amounted to £32,512 12s. 2d.



We further certify that the following statement sets forth the assets and liabilities of the Company as shown by the books at 31st May, 1924:—

ASSETS.		
Freehold Land and Buildings at Braintree and Witham and Leasehold Interest in Railway Wharf, Braintree, and London Office, No. 245, High Holborn, W.C.1.		£171,380 17 6
Fixed Plant and Machinery, Loose Tools, Fixtures, Furniture, Motor Cars, Lorries, Patterns, etc.		152,461 19 10
Stock of Manufactured and Partly Manufactured Goods, Work in Progress and Raw Materials		107,423 8 2
Holdings in and Balances due by Subsidiary and Associated Companies, including Letters Patent and Expenditure in connection with Royalty Agreements		45,224 11 1
Cash in hand, Sundry Debtors and Debit Balances (Less Reserve for Doubtful Debts and Discounts)		56,825 16 4
		£533,318 12 11

LIABILITIES.		
Amount due to the Government, repayable by instalments spread over seven years, and interest thereon		£94,035 6 11
Creditors and Credit Balances, including Bank Overdraft and Provision for Taxation		180,857 10 6
		274,922 17 5

EXCESS OF ASSETS OVER LIABILITIES (to which can be added the proceeds of present issue) ... £138,395 15 6

We further certify that the Sales were as follows:—  
SALES for year ended 31st May, 1922 ... £126,826  
1923 ... £350,860  
1924 ... £149,224

The ORDERS received for the first six months of the past three years, as certified to us by the Governing Director, were as under:—

	1922.	1923.	1924.
January	£3,649	£23,393	£51,194
February	5,675	23 4 0	43,430
March	31,251	33,777	44,15
April	12,148	26,541	41,825
May	29,528	33,324	£2,01
June	22,814	48,255	52,102
	£150,125	£194,370	£292,765

Yours faithfully,  
(Signed) LUCKIN & SHELDRAKE,  
Chartered Accountants.

The Directors estimate that the profits of the Company, with the additional turnover which the factory extensions will produce, should exceed the sum of £75,000 per annum. During the past three years, while values have been more or less increasing demand, even over the last six months, the output from the Works has been almost doubled.

The Land, Buildings, Fixed Plant and Machinery at Braintree are as valued by Messrs. Fuller, Horner, Sons & Cassell in 1920, and the Buildings at Witham by Messrs. Bradshaw, Gass & Hope in 1921, with the addition of purchases since, less Sales, and depreciation written off, the net increase being over £35,000. In addition, there has been expended in repairs and maintenance since that date more than £26,000, all of which has been charged against Revenue, and the general "lay-out" of the Works has been brought up to the most efficient and modern lines possible.

The present Chairman and his sons, and the other Directors of the Vendor Company, will continue to conduct the business, and they will still retain their interests through their substantial share holdings in the Company.

Among the more important Contracts which the Company has now in hand are included the following:—  
The Anglo-Persian Oil Co., Ltd., Britnennic House, E.C.

Cadbury Bros., Ltd., Bournville.  
Wolseley Motors, Ltd.  
Messrs. Liberty & Co., Ltd., Regent Street.  
British-American Tobacco Co., Ltd.  
School of Pathology, Oxford.  
Adelaide House, London Bridge.  
The Glasgow Municipal Buildings.  
Islington Town Hall.  
The Peace Palace, The Hague.  
Chinese Government Mint, Shanghai.  
National Museum of Wales, Cardiff.  
Barclays Bank, Head Office and various branches.  
Cunard Steam Ship Co., Ltd.

Legislative Assembly Building, Delhi.  
Bank of Canton, Hongkong.  
Hongkong & Shanghai Bank, Singapore.  
Montreal City Hall, Canada.  
Southern Life Assurance, Pretoria, South Africa.  
Egyptian State Railways, Alexandria.  
Eagle, Star & British Dominions Insurance Co., Ltd., E.C.

Harrods, Ltd.  
Peter Robinson, Ltd.  
Selfridge & Co., Ltd.  
W. Whiteley, Ltd.  
Guardian Assurance Co., King William Street.  
Licenses & General Insurance Co., Moorgate Street.  
J. Lyons & Co., Ltd.

The export orders of the Company indicate a growing and expanding trade, as is shown by the following figures:—  
For the year ending 31st May, 1921 ... £81,763  
Do. do. 1922 ... 98,253  
Do. do. 1923 ... 105,152  
Do. do. 1924 ... 127,937

The orders on hand are very considerable and everything points to the still further extension and development of the business.

The Company has entered into an Agreement with Messrs. Read & Brigstock, of English House, 29 Gresham Street, E.C.3, whereby they will procure that the whole of the shares now offered for subscription shall be underwritten for an underwriting commission of 5d. per share, and an overriding commission of 3d. per share, and such commission is payable by the Company. As further consideration for procuring such underwriting, the Company has granted to Messrs. Read & Brigstock the option of subscribing at par within two years from the date of this Prospectus for 25,000 Ordinary shares in the Capital of the Company. Various underwriting contracts have been entered into in pursuance of such Agreement.

Mr. F. H. Crittall, a Director of the Company, has underwritten 10,000 Shares, but as the whole of the present issue has been underwritten, the Directors will proceed to allotment on the closing of the lists.

Applications from Shareholders in the Vendor Company for the Shares now offered for subscription will receive preferential consideration.

A brokerage of 3d. per share will be paid on all Shares allotted in respect of public applications bearing the stamp of a Broker or authorized Agent.

The Attorneys Certificate, and copies of all Contracts and of the Memorandum and Articles of Association of the Company, can be inspected at any time between the hours of 11 a.m. and 4 p.m. Freshfields Leese and Morris, 31 Old Jewry, E.C.2, at any time between the hours of 11 a.m. and 4 p.m. on any day whilst the subscription list is open.

Full Prospectuses upon the terms of which applications alone will be received and Forms of Application can be obtained from the Company's Brokers, Barclays Bank Limited, or any of their branches, the solicitors, and at the Registered Office and London Office of the Company.

This Form may be sent to the Company's Bankers, Barclays Bank Ltd., Head Office, 54 Lombard Street, London, E.C.3; or to any of their Branches.

**THE CRITTALL MANUFACTURING COMPANY, LIMITED.**  
CAPITAL £450,000.  
Divided into 250,000 8 per Cent. Cumulative Participating Preference Shares of £1 each, 200,000 Ordinary Shares of £1 each.  
Issue of 140,000 8 per Cent. Cumulative Participating Preference shares of £1 each for Subscription at par. (5)

FORM OF APPLICATION FOR SHARES.  
THE CRITTALL MANUFACTURING COMPANY LIMITED, The Manor Works, Braintree, Essex.

To the Directors of THE CRITTALL MANUFACTURING COMPANY, Limited, the sum of £... Being a deposit of 2s. 6d. per share payable on application for 8 per Cent. Cumulative Participating Preference Shares in the above Company, I/we request that you will allot me/us that number of Shares; and I/we hereby agree to accept the same or any less number that may be allotted to me/us, upon the terms of the Company's Prospectus dated 3rd October, 1924, and the Company's Memorandum and Articles of Association; and I/we hereby undertake to pay the amount due on allotment, and the balance as provided by the said Prospectus; and I/we authorise you to register me/us as the holder of the Shares so allotted.

Name in full (Please insert Rev., Mr., Mrs., or Miss.)

Address

Description

Usual Signature

Date

TO BE WRITTEN DISTINCTLY.  
To be forwarded in due course, either by Allotment Letter or by return of the deposit.

An acknowledgment will be forwarded in due course.



## CRITTALL MANUFACTURING CO.

A SUCCESSFUL YEAR.

WIDE FIELD FOR  
DEVELOPMENT.

INCREASE OF CAPITAL  
APPROVED.

### MR. F. H. CRITTALL'S SPEECH.

The FIRST ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at Winchester House, Old Broad-street, E.C.

Mr. F. H. CRITTALL, J.P. (governing director and chairman), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN, who was received with cheers, said:—Ladies and Gentlemen, The directors' report and balance-sheet having, in accordance with the articles of association, been duly circulated I propose, with your permission, to take them as read. (Agreed.)

It is with more than ordinary pleasure that I address you on the occasion of this, the first ordinary annual general meeting of our company, more especially as it falls to my lot to be able to place results before you which I am sure you will agree with me in thinking are very gratifying. (Cheers.) Before inviting you, however, to turn with me to the balance-sheet, I should like to make one or two observations in order that you may better appreciate the position which it reveals.

In the first instance, the old Crittall Manufacturing Company, which this company was formed to acquire, was founded by myself as long ago as 1889. It commenced in a very small way, developing in steady stages until it is now the largest business of its kind in the United Kingdom, and the measure of our success may be gauged by the facts which I shall do my best subsequently to place before you. I would also ask you to remember that this company was incorporated on October 3, 1924, and made its first appeal to the public for capital within a few days thereafter, but as it acquired the business of the old Crittall Manufacturing Company, Limited, as from the close of business on May 31, 1924, it will be seen that the new capital, the final instalment of which was only received in the following December, was practically only available for five months of the completed year for which the accounts now in your hands are presented.

I think you will agree with me, therefore, that it is more than satisfactory that there is no material difference between the estimated profits which we looked to receive during the first year of our operations and those which have been obtained.

#### THE BALANCE-SHEET.

If you will now turn with me to the balance-sheet it will be seen that the issued capital of our company is £427,868—namely, £177,868 Ordinary shares and £250,000 in 8 per cent. Cumulative Participating Preference shares, which includes £48,950 shares which were issued at a premium in March last to enable us to take full advantage of business then offering and for the development of the business.

The sundry loans, including the amount due to H.M. Government, show a slight increase beyond the figures given in the prospectus, whilst sundry creditors and credit balances show a substantial decrease of approximately £70,000. On the asset side of the balance-sheet you will notice that additions have been made during the year to freehold land and buildings, as also have additions been made to fixed plant and machinery, &c. The stock of manufactured and partly manufactured goods

shows an increase on the previous year, which is indicative of the great increase in our business, for it is an important factor to be in a position to supply immediately goods as they are ordered. Holdings in and balances due by subsidiary companies remain practically the same, whilst sundry debtors and debit balances show an increase.

It will also be noticed that the surplus arising from the liquidation of the old company has enabled us to write off more than 50 per cent. of our preliminary expenses, leaving only the small sum of £7,550 14s. 5d. to be dealt with during the current year. It is desirable to mention that there is no item of goodwill included in our balance-sheet. (Cheers.)

#### PROFITS AND DIVIDENDS.

Turning again to the liability side of our balance-sheet, you will notice that the profit for the year ended May 31, 1925, was £70,162 18s. 9d. It will be recalled that in the year under review it was estimated that, with the additional turnover that the factory extensions would produce, the profits of the company would exceed the sum of £75,000 per annum. In view of the fact, however, to which I have already referred, that the total new capital has only been in our possession for approximately five months, the results obtained, I think you will agree with me, are very satisfactory. (Cheers.)

You will notice that, after deducting from the profits of £70,162 18s. 9d. the governing director's salary, directors' fees, and interest on loans, there is an available balance of £58,078 5s. 6d., which we propose, after providing for the interim Participating Preference share dividend paid December 1, 1924, to deal with as follows:—To transfer to general reserve, depreciation reserve, and to taxation reserve a total sum of £15,714 3s. 5d. The 8 per cent. Participating Preference dividend absorbs £10,000, leaving a sum of £29,168 6s. 6d., from which it is proposed to pay a dividend for the year on the Ordinary shares at the rate of 10 per cent. per annum, absorbing £17,786 16s., and to pay a final Participating Preference share dividend for the year at the rate of 2 per cent., absorbing a further £5,000, leaving a balance to be carried forward of £6,381 10s. 6d.

#### PRESENT POSITION AND PROSPECTS.

Assuming, as I do, that these proposals meet with your approval, I propose now to pass from the balance-sheet, and to give you, as I am sure you will expect me to do, our views as to the company's present position and future prospects.

In order to appreciate the business which lies before the company, a few words regarding the underlying policy of the old company are necessary. I have previously referred to the small beginnings of that business. I would also say that it was a family one, built up from its earnings with very little outside assistance. Its business has always been the manufacture of metal window frames, but up to a point it had narrow limitations. Metal window frame manufacture was a craft little suited to commercial production. Consequently the use of metal windows was confined to a narrow sphere; in fact, wooden windows were in undisputed possession of fully 95 per cent. of the market. From the outset we set ourselves to design metal windows which would satisfactorily take the place of wooden ones, knowing that the reward of success was a business as large as anything connected with the building trade, and, when taken in conjunction with its export possibilities, a trade which would assume the proportions of a national industry. (Cheers.)

Our first success was achieved in connexion with the Universal Casement—a product at present made at our Braintree works. This present made at our Braintree works. This was a window to meet the demand for increased light and ventilation called for in the remodelling of offices, shops, banks, and commercial premises which has taken place in London and our great cities during the last 10 to 15 years. In this sphere the metal window can be definitely said to have replaced wood, and the reward for our pioneer work in the development of this type is the fact that the development of this type is the standard of quality in this field, and the volume of our business in it is at least equal to the whole of the rest of the trade put together. (Cheers.)

#### BUSINESS IN DOMESTIC WINDOWS.

There remained the business in domestic windows, and here the replacement of wood presented a much larger problem. In pre-war days it was considered impossible to produce

a window in steel at a price which would compete with wood; consequently, in house construction the use of metal windows then was almost entirely confined to a small number of expensive houses. Standardization of type and size was essential, and with these the provision of a factory entirely devoted to the manufacture of these types, and where everything could be laid out for repetition manufacture. This requirement called into being our Witham factory, where we now produce a window which competes with wood for price while being immeasurably superior in all window essentials. (Hear, hear.)

With a better window assured we have kept as our goal the making of a window cheaper than wood. In doing so we have set our faces against the allurements of price control, and it is because of our attitude in this matter that, whatever may be true of the building material trades at large, there is no price ring in the metal window trade. (Cheers.) We are to-day selling a better article at half the pre-war price, which cannot be said of any other component used in the building of a house. I would like you to appreciate the unique position of this metal window industry, as well as the place we occupy in it. It is not a mere flash in the pan, dependent upon temporary prosperity in the building trade. World supplies of timber are certainly not increasing, and show a marked falling off in quality. The essential factor to enable steel successfully to compete with wood—namely, the acceptance by the building trade of standard types and sizes—is firmly established.

For many years past the brains of enthusiastic men, born and brought up in the manufacture of metal windows, have been applied to laying out at Witham a single-purpose factory, and the result to-day is, in my view, the most efficient manufacturing unit engaged in producing any class of building material in this country. (Hear, hear.) I extend a cordial invitation to everyone here to visit Witham factory; I am sure you will be proud of your property.

#### EXPLOITATION OF FOREIGN MARKETS.

Linked up with our plans for the development of home trade are almost as far-reaching proposals for the exploitation of the foreign window markets. The exacting ventilation requirements of tropical countries, the definite ban on the use of wood in places where the white ant prevails, and the shortage of home-grown timber in many countries, all combine to provide export markets for our goods. I have visited personally most of the principal markets of the world, and make it part of my business to visit our organizations abroad as frequently as circumstances permit.

An essential part of the conduct of our foreign business is that the management and technical work, wherever Crittall windows are sold, are in the hands of men trained in our factories to our ideals. (Hear, hear.)

Every market has its own special requirements, and the study of these on the spot by experts enables us to market a metal window suited to the local requirements in a way which could not be achieved by less thorough methods.

We have a controlling interest in the Crittall Manufacturing Company (India), Limited, the Crittall Manufacturing Company (South Africa), Limited, and the Crittall Manufacturing Company (Australia) Proprietary, Limited. We are also interested in the Crittall Casement Window Company, of Detroit, U.S.A., Crittall Jacks (Egypt), and of F. W. Braat, of Delft, Holland, in addition to which we have a branch in China and world-wide agencies. Crittall windows are manufactured at Detroit, Delft, Durban, and Melbourne. This last factory was equipped and opened in the last 12 months; and our latest information is that it is fully booked up for a considerable time to come, and we are accordingly arranging for its extension.

#### EXTENSION OF WORKS.

Since obtaining the Preference capital last October we have completely equipped our works at Maldon, and the results there abundantly justify this expenditure. We have also materially added to and improved the Braintree works. It is the extension of the Witham factory, however, which is the principal item in our programme. Considerable progress has been made with this, but we are now convinced, from the extent to which the demand for the standard metal window has increased, that further extension is necessary to cope adequately with this section of the company's business.

This increased business is brought about



entirely by the intensified sales organization which we were able to create as the result of the introduction last year of new capital; but what I wish to impress upon you is that even to-day we are only on the fringe of the standard metal window business—(cheers)—and when I inform you that, from a rough census that we have made, not 20 per cent. of the windows in the country are metal (it may very well be less), you will readily appreciate the extent of the field which is open to this industry.

It is of paramount importance that we should be in a position to satisfy the requirements of our customers, in that we should be able to deliver these products over the counter.

We are now feeling the increased demands made upon us, and for some months past our returns have indicated conclusively that, if we are successfully to cope with them, we must extend the Witham factory, and with it must arrange to carry an adequate stock both of raw material and finished windows.

Being satisfied, as we were, that the business justified it and that the development we were faced with was the natural and logical result of our efforts, and to some extent forced upon us in accordance with the policy adopted by the board in the past, we considered it our duty so to arrange our finance that when the time came we should be in a position to meet the expenditure we foresaw was inevitable. We were fortunate, therefore, in being able to meet the situation in advance, and some months ago made provisional arrangements whereby our requirements were assured to us, and we laid our plans accordingly.

#### THE NEW CAPITAL.

We, therefore, when the time arrived, entered into a contract, subject to, and conditional on, the consent of the shareholders, both Ordinary and Preference, being obtained to the increase of capital, to sell the £250,000 Preference shares at a premium of 2s. per share, the purchasers undertaking to pay the whole of the expenses in connexion with the issue, other than the capital duty, and to offer the new shares to the Preference and Ordinary shareholders as stated in the directors' report.

Although we are taking powers to increase our Ordinary capital, it is not intended for the present to make any issue of these shares.

Your directors are unanimously of the opinion that these proposals are in the interests of the company and of both classes of shareholders, and will undoubtedly place the company in a strong position, and I see no difficulty in earning the extra profit required to meet the increased dividend, and it is confidently anticipated there will also be a substantial margin available for distribution amongst the Ordinary shareholders. (Cheers.)

#### TRIBUTE TO THE STAFF.

I think you would like me to say a word or two about our employees, and the way we look after them, which is a subject we are particularly interested in. (Hear, hear.) It is traditional with us that we are on the best possible terms with our workmen, and this is the position, I am pleased to say, to-day. We have adopted a policy of studying our men's welfare very closely and of keeping in close touch with the shop stewards, so that the men have ready access to any member of the board. We have our own welfare department, with its various branches of activity, and from every point of view we try to do what we can to give every man not only a living wage, but something over and above that to enjoy life reasonably and to put by towards old age. (Cheers.) Incidentally, it may interest you to know that we have one of the finest sports grounds in the Eastern Counties, so that you will see that we attend to the physical as well as to the material side of those on whom we are largely dependent for the success of our business and the profits which we earn. (Cheers.)

I cannot allow the occasion to pass without paying a well-deserved tribute to all concerned for the untiring energy and devotion with which they have applied themselves to their duties, without which it would have been impossible for us to have reached such an increased tonnage as we have been able to handle, and with the men, of course, I wish to

thank the staff as a whole for the splendid work which they have done in assisting towards the result attained.

I will now move the adoption of the directors' report and accounts, and I will ask Mr. V. G. Crittall to second the resolution. I shall then be pleased to answer any questions that you may wish to address to me.

Mr. V. G. CRITTALL (managing director) seconded the resolution, which was carried unanimously, and the dividends recommended were declared.

The retiring directors (Mr. V. G. Crittall and Mr. W. F. Crittall) were re-elected; and Messrs. Kemp, Chatteris, Nichols, Sendell, and Co. and Messrs. Luckin and Sheldrake were reappointed auditors.

The CHAIRMAN then proposed:—"That the capital of the company be increased to £900,000 by the creation of 250,000 additional Eight per Cent. Cumulative Participating Preference shares of £1 each, and 200,000 additional Ordinary shares of £1 each, ranking for dividend and in all respects *pari passu* with the existing Cumulative Participating Preference shares and Ordinary shares in the company respectively."

Mr. V. G. CRITTALL seconded the resolution. Mr. WILLIAMS asked why it was not proposed to issue Ordinary shares instead of Preference.

The CHAIRMAN, in reply, said that the directors were the largest shareholders in the company, holding, in fact, the controlling interest in it, and, rightly or wrongly, they were of opinion that the proposed method of raising the required capital was the proper one to adopt.

The resolution was carried with one dissentient.

#### PREFERENCE SHAREHOLDERS' MEETING.

A separate meeting of the Preference shareholders was then held for the purpose of submitting a resolution approving the proposed increase of capital.

The CHAIRMAN formally moved the resolution, which was seconded by Mr. V. G. CRITTALL.

Some discussion followed as to whether the proposals of the directors were the cheapest way of providing the requisite capital. Suggestions were made that an issue of either short-term Notes or Seven per Cent. First Preference shares would have been more to the advantage of the company.

Mr. V. G. CRITTALL said he took it that either of the securities suggested would rank ahead of the existing Preference shares, and if there were any question of difficulty in getting the present proposal through at a meeting of Preference shareholders there would certainly be much greater difficulty in the case of either of the counter-suggestions. (Hear, hear.) The directors considered that they had made a reasonable bargain. The £25,000 represented by the premium would go to the general reserve, and with the £20,000 already there—against which the only charge was the preliminary expenses still outstanding, amounting to something over £7,000—the company would be in a very good position. He wished to point out that during the past year the company had begun to reap the benefits of work which had extended over a great many years past.

#### SUCCESS OF SALES PROGRAMME.

They had embarked upon a very extensive sales programme, which had materialized even better than they had anticipated. They had been overwhelmed with the business which had come to the company as a result of their sales policy, and the directors felt that they would be false to the trust which the shareholders had reposed in them if they had not had the courage of their convictions and gone ahead. In view of the position they made tentative financial arrangements, which had finally materialized in the proposals now submitted. In any case, if the issue had been made by the company itself, underwriting and other expenses would necessarily have had to be incurred, which would have to be written off out of future profits. Finally, the fact that the directors, in view of their large holdings, were the most interested people should be a guarantee that they had made the very best possible deal in the interests of the company.

On a show of hands it was found that the resolution was not carried. On a poll being taken the voting was:—For the resolution, 133,021 shares; against, 250 shares.

The CHAIRMAN accordingly declared the resolution carried by the requisite majority. A cordial vote of thanks to the chairman, directors, and staff concluded the proceedings.



## The Economist (London)

Nr. 4283

### CRITTALL MANUFACTURING COMPANY, LIMITED. SATISFACTORY YEAR'S WORKING. CAPITAL SCHEME APPROVED.

Presiding at the ordinary general meeting of the Crittall Manufacturing Company, Limited, held on the 23rd instant, at Winchester House, Old Broad street, London, Mr Francis Henry Crittall, J.P., governing director and chairman, in moving the adoption of the report, stated that it was a matter of satisfaction to the board to be able to present, for the first year, such an excellent statement. The profits for the year amounted to over £70,000, out of which, after providing for all operating charges, they were in a position to transfer to depreciation and reserve the sum of £15,714, to pay the 8 per cent. dividend on the participating preference shares, a dividend of 10 per cent. for the year on the ordinary shares, and a further participation of 2 per cent. on the preference shares, making a total of 10 per cent. for the year on both classes of shares.

#### CONTINUED DEVELOPMENT.

The business of the Crittall Manufacturing Company had been built up from small beginnings until, at the present time, it was one of the largest enterprises of its kind in the country. So successful had been its specialities in metal window frames and windows that it was hard to fix a limit to the expansion of the business. By the standardisation of type and size they were able to supply the trade at less than pre-war prices, a condition of things which, he made bold to say, did not obtain in any other industry to-day. Throughout their business they had set their faces against the allurements of price control, and it was because of this that they were able to extend their business. Whatever might be true of the building material trades at large, there was no ring in the metal window trade, as the company was to-day selling a better article at half the pre-war price. Their business was no mere flash in the pan, dependent upon the temporary prosperity of the building industry, for the world supplies of timber were not increasing; in fact, they showed a marked falling off in quality, and so there was a firmly established basis for their trade. He was pleased to state that the foreign trade was developing on most satisfactory lines. The exacting ventilation requirements of

tropical countries, the definite ban on the use of wood in places where the white ant prevails, and the shortage of home-grown timber in many countries, all combined to provide a wide export market for their goods. No small measure of the company's success was due to the fact that both the managers and technical staff engaged in their foreign business were men trained in their own factories. The company had a controlling interest in the subsidiary companies operating in India, South Africa, Australia, United States, Egypt and Holland. In addition, they had a branch in China and agencies throughout the world.

#### EXTENSION OF THE WITHAM FACTORY.

Since obtaining their preference capital last October they had completely equipped works at Maldon, and the results amply justified that expenditure. They had also materially added to and improved the Braintree works. The extension of their Witham factory was, however, the main objective. Considerable progress had been made with that, and the directors were convinced that so great was the demand for their standard metal windows that a further extension of the factory was absolutely necessary adequately to cope with that section of the company's business. Increased output meant, of course, increased expenses, and this necessitated their having ample capital. It was difficult, as he had said, to fix a limit to the extension of their business. This would be obvious to the shareholders when he told them that from a rough census they had made not 20 per cent. of the windows in this country were metal, so they had a wide undeveloped field in which to operate.

#### INCREASE OF CAPITAL.

The board being satisfied that the business justified still further developments, it became an urgent duty to arrange their finance and so be in a position to meet the expenditure which they foresaw was inevitable. He was pleased to tell the shareholders that they were able to meet the situation in advance by making provisional arrangements some months ago by which their requirements were assured, and so they were able to carry out without delay their development programme. They were accordingly taking powers to increase their capital by a further £250,000 preference shares, to rank *pari passu* with the existing issue, and a further £200,000 ordinary shares, the issue of which was not at present contemplated. The directors were unanimously of opinion that these proposals were in the best interests of both classes of shareholders,

and would undoubtedly place the company in a position to earn the extra profits required to meet the increased dividend charges.

In conclusion, he wished to pay a tribute to their workmen and staff for the untiring energy and devotion with which they applied themselves to their duties, and without which it would have been impossible for them to have reached such an increased tonnage as they were able to handle. It was a tradition with the old Crittall Manufacturing Company always to keep on the best possible terms with their men, and this condition obtained whole-heartedly to-day. The directors, on their part, had adopted the policy of studying the men's welfare very closely and keeping in touch with the shop stewards, so that the men had ready access at all times to any member of the board. They had their own welfare department, with its various branches of activity, and from every point of view they tried to do what they could to give every man not only a living wage but something over and above, so that he might reasonably enjoy his life and be in a position to make some provision for old age.

The report and accounts were unanimously adopted, and the resolution sanctioning the capital increase was approved.



The Financial News (London)

12891

COMPANY MEETING REPORTS.  
CRITTALL MANUFACTURING.

Large Expansion of Business.  
SUCCESS OF THE METAL WINDOW.  
Proposed Reorganisation of Capital.

The second ordinary general meeting of the Crittall Manufacturing Co. Ltd. was held yesterday at River Plate House, Finsbury-circus, E.C., Mr. F. H. Crittall, J.P. (governing director and chairman), presiding.

The Secretary (Mr. F. G. Rogers) having read the notice convening the meeting and the auditors' report,

The Chairman said: Ladies and gentlemen, the report and accounts having been in your hands for some days, I assume it is your wish that we should take them as read.

In asking you to turn with me to the balance-sheet, I should like to say that I propose only to draw your attention very briefly to its items, as in my subsequent remarks I shall have occasion to deal more fully with the progress and expansion that has taken place in our properties and plants, and the reward that we confidently believe awaits us as the result of the policy which we have consistently followed.

The issued capital of the company is now £700,000, consisting of 500,000 8 per cent. cumulative participating preference shares and 200,000 ordinary shares.

On the assets side you will observe that additions have been made of approximately the same amount to freehold lands and buildings and to fixed plant and machinery. The stocks of manufactured and partly manufactured goods show an increase over last year of about £119,000; there are also increases in our holdings in and balance due from subsidiary companies and also in sundry debtors, while preliminary expenses have been increased by the duty on the new capital.

In dealing with the liabilities, our sundry loans have been reduced by about £25,000, while the amount due to sundry creditors shows but little change as against last year.

INCREASED PROFIT AND DIVIDENDS.

We now come to what we must all naturally consider the most important item, viz., the profit earned during the period under review, and I feel sure you will all agree with me that the figure of £114,085 1s. 7d. may be considered as very satisfactory, showing as it does an increase over last year of £43,922 2s. 10d. In conjunction with my colleagues, I consider it merely reveals the normal development of the business and is in accordance with our expectations.

You will notice that we carried forward from last year the sum of £6,381 10s. 6d., which, added to the profit mentioned of £114,085 1s. 7d., gives a total of £120,466 12s. 1d. After deducting from this amount directors' fees, governing director's salary, interest on loan, &c., and providing for the preference dividend paid on December 1 last, there is a balance of £98,437 7s. 6d., to which we add the share premium account balance of £25,000, making a total of £121,437 7s. 6d., which amount we propose to deal with as follows:—

The 8 per cent. dividend on the participating preference shares up to 31st May last, absorbs	£20,000	0	0
To transfer to general reserve	25,000	0	0
To transfer to depreciation reserve			

markets, we have further deemed it essential to embark upon the manufacture of standard windows of a special design; the output of this factory, without regard to the latter point, has been increased by three times its original capacity.

THE NEW FITTINGS FACTORY.

I am sure you will have no difficulty in appreciating that with a growing business of this nature, and on the lines I have indicated, it is fundamental that we should render ourselves as far as possible and expedient more self-contained and independent of outside influences, more particularly in connection with the uninterrupted supply under our own control of the many fittings and small parts used in the production of metal windows. You will probably appreciate this more clearly when I mention that upwards of 500,000 pieces a week are required for the Witham factory alone.

We have therefore built, and shall shortly be operating, a fittings factory at Silver End, midway between our Braintree and Witham works. Equipped with the most modern automatic and semi-automatic machinery, this factory will effect considerable economies in the cost of our fittings. An interesting fact, which I am sure will be well received by our shareholders, is that this factory will be manned entirely by disabled men. The work is suitable to such labour, and, though no wage economy will result, and I am sure it would not be desired, I am confident that shareholders will be gratified that the company is able to employ these men.

The success of the standard window has created a demand for leaded lights in standard sizes, to meet which we have built and equipped a factory at Witham, and you will be interested to hear that this product is being handled entirely by female labour.

There is another very important factor in our new equipment which is of special interest at the present time, and that is the substitution of oil for coal as a means of generating electric power and light for our Braintree and Witham works. This substitution has not only saved us from the possibility of serious embarrassment, but actual economy at the rate of nearly £3,000 per annum has resulted at our Braintree works alone.

CURRENT YEAR'S PROGRESS.

The results which have been achieved during the past twelve months testify to the success of our selling organisation, and the fact that the returns for the first six months of 1926 are 50 per cent. greater than for the corresponding period of last year will, I think, speak for itself.

The question of transportation and prompt delivery to purchasers are matters of vital moment to all businesses, and we long ago realised the urgency of dealing with these problems.

We have our own fleet of motor lorries, which proved of inestimable value during the recent strike; for example, in its early days we were able to deliver by lorry the contents of 45 loaded trucks of windows which were waiting dispatch by rail.

GROWTH OF COLONIAL

on the lines I have indicated will prove most profitable.

The circular to which I have just made reference invites your approval to the proposals for the rearrangement of the company's existing capital in a manner which, in the considered judgment of your directors, will prove advantageous to all shareholders and to the future prosperity of the company, and also provides the additional capital required for the necessary further developments.

The matter is one that has received the most careful consideration of your board, they being anxious to formulate a scheme under which the maximum benefits in every respect may accrue to existing shareholders, for it will be appreciated that in other circumstances it might be difficult to obtain this new capital without prejudicing the position of all existing shareholders owing to the present high rate of interest, including the participating rights paid on the preference shares.

This scheme we are advised can, with the aid of the requisite resolutions of the two present classes of shareholders and of the company, be carried out with the minimum of expense, and the necessary separate class meetings and company meetings are being summoned for the purpose of giving effect thereto.

THE SCHEME EXPLAINED.

The scheme is, shortly, as follows: It is proposed that the present preference shares shall as from the 1st June, 1926, be replaced by debenture stock, preference shares and ordinary shares in such proportions that every ten present preference shares (and so in proportion for less numbers than ten) will as from that date be represented by £3 of 6 per cent. redeemable debenture stock, £4 of 7 per cent. cumulative preference shares, and £3 of ordinary shares, and that, in addition, each holder of existing preference shares will have a transferable right to subscribe for one ordinary share ranking pari passu with the existing ordinary shares as from the 1st June, 1926, at a price of 25s. per share for every two of the present preference shares held by him. Fractions of debenture stock and shares will not be issued, but arrangements have been made whereby, if the scheme is approved, such fractions will be realised to advantage.

In order to give effect to the provisions of the scheme and to make ample provision for the rapidly expanding business of the company, it is necessary to increase the nominal share capital by £600,000. The company will also create £500,000 6 per cent. debenture stock, of which £150,000 will be issued to the existing preference shareholders, leaving £350,000 for future issue.

The share capital as rearranged will consist of £500,000 7 per cent. cumulative preference shares and £1,000,000 ordinary shares, and, when the scheme is carried out, the issued capital will be £200,000 preference shares and £600,000 ordinary shares. There will, therefore, be available, in addition to the £350,000 debenture stock, £300,000 7 per cent. cumulative preference shares and £400,000 ordinary shares for future issue as required by the normal developments of the business.

On the basis of the proposed capital and payment of the same rate of dividend, viz., 15 per cent. on the ordinary share capital thereof, the effect of the scheme will be that the dividend accruing to the preference shareholders from their converted and new holdings will be increased from 10 per cent. to about 10 1/2 per cent. per annum. Moreover the directors anticipate great expansion of business, which will be shared by the present preference shareholders through their holdings of ordinary shares.

The directors have very carefully considered the scheme in order to satisfy themselves of its essential fairness and benefit to both classes of shareholders, and they unanimously recommend it for acceptance with every confidence.



in conjunction with my colleagues, I consider it merely reveals the normal development of the business and is in accordance with our expectations.

You will notice that we carried forward from last year the sum of £6,381 10s. 6d., which, added to the profit mentioned of £114,085 1s. 7d., gives a total of £120,466 12s. 1d. After deducting from this amount directors' fees, governing director's salary, interest on loan, &c., and providing for the preference dividend paid on December 1 last, there is a balance of £96,437 7s. 6d., to which we add the share premium account balance of £25,000, making a total of £121,437 7s. 6d., which amount we propose to deal with as follows:—

The 8 per cent. dividend on the participating preference shares up to 31st May last, absorbs	£20,000	0	0
To transfer to general reserve	25,000	0	0
To transfer to depreciation reserve	15,000	0	0
To write off preliminary expenses	6,081	8	8
To pay a dividend for the year on the ordinary shares at the rate of 15 per cent. per annum, absorbing	30,000	0	0
To pay a final participating preference share dividend for the year at the rate of 2 per cent. per annum, absorbing	10,000	0	0
Leaving a balance to be carried forward of	15,355	18	10
	£121,437	7	6

### PROGRESS AND FUTURE POSSIBILITIES.

Assuming, as I do, that these proposals meet with your approval, I will now deal with the present position of the company, the progress it has achieved and its future possibilities.

In view of the fact that we have a large number of new shareholders this year, I think it is desirable that I should briefly recapitulate some of the salient features of our business I outlined at our last meeting.

I then dealt with the enormous business both in this country and abroad, which awaits the successful development of our plans to convert users of wooden windows to the use of metal, and explained how years of pioneer work had resulted in the production of an article of unquestioned superiority in all window essentials, i.e., absolute exclusion of weather, maximum admission of light and minimum cost of upkeep, and moreover, added to these there is a price advantage in all cases where the introduction of standard sizes and construction have made possible intensified manufacturing methods.

I pointed out that at our Braintree works we manufactured the universal casement window used in the remodelling of banks, offices, shops, &c.; at our Witham factory we manufactured the standardised type of window used in the construction of houses, while at our Maldon works we manufactured standard factory windows, &c., and drew further attention to the very considerable interests we had in our Colonies and in foreign countries.

I also drew attention to the fact that from a rough census then made less than 20 per cent. of the windows in this country were made of metal, and to the intensive methods we were employing in our sales organisation.

### "INDUSTRY OF PRIME IMPORTANCE."

With these points in our minds, I would now draw your attention to the development of the plans we formulated for the furtherance of this business, which, in the opinion of your directors, is firmly established as an industry of prime importance, being based not upon any speculative or exceptional circumstance, but upon the normal constructional or reconstructional requirements both at home and abroad. It must be apparent to all that a great modernising process continues to go on in this country in banks, shops and commercial premises, and the same remarks apply to many overseas centres, and it is in this direction that the metal window plays a great part.

What, then, is our position to-day as compared with that of last year, and what are our plans for the future?

At our Braintree plant, which incidentally was the birthplace of Crittall products, we have re-arranged and installed additional equipment, and indications are not wanting that further demands on our resources will be made in the near future; our output at this centre has already increased by fully one-third as compared with that of last year.

At our Witham factory we have also made very considerable extensions. This factory now occupies five acres of floor space under one roof, and is exclusively devoted to the manufacture of standard domestic windows; it is a pleasing factor to record that, in spite of the difficulties consequent upon such extensions, during the last two years costs of production have shown a steady decline. At the present moment our capacity is treble that which was possible prior to the formation of this company, but here again the demand continues to grow, and I shall deal later on with the plans for meeting it.

At our Maldon plant, where we make standard windows for factory purposes, we have been compelled to make further extensions, and, in view of the demands from overseas

### CURRENT YEAR'S PROGRESS.

The results which have been achieved during the past twelve months testify to the success of our selling organisation, and the fact that the returns for the first six months of 1923 are 50 per cent. greater than for the corresponding period of last year will, I think, speak for itself.

The question of transportation and prompt delivery to purchasers are matters of vital moment to all businesses, and we long ago realised the urgency of dealing with these problems.

We have our own fleet of motor lorries, which proved of inestimable value during the recent strike; for example, in its early days we were able to deliver by lorry the contents of 45 loaded trucks of windows which were waiting dispatch by rail.

### GROWTH OF COLONIAL AND FOREIGN TRADE.

Our Colonial and Foreign trade continues to grow in a very gratifying manner, and the question of supplying the normal demand of these markets is one which is very prominent in our minds. You will have concluded from my previous remarks that all our factories are to a certain extent engaged in this direction. The field is one which offers room for considerable development, and we should be unmindful of your interests if we neglected to take advantage of the trade awaiting us.

During the year we have opened a branch in New Zealand which promises very satisfactory results, and it is my intention to visit South Africa in the coming autumn to consolidate our interests in that country, where we have our own factory for the manufacture of our products.

I have felt it incumbent upon me, in view of all circumstances, to explain at some length the various elements of our organisation, the great expansion that has taken place in our factories and their equipment, and the consequent increase in our output capacity.

It is hardly necessary for me to say that all our factories are fully employed—we have a full order book—in point of fact the success which has attended our intensified sales campaign has materialised sooner and in larger volume than we had thought possible; this in part explains the increase in our stocks on hand of manufactured and partly manufactured goods.

I do not, as you know, like to forecast what the future has in store for us, but I am satisfied, without taking an unduly optimistic view, that we may look forward with every confidence to increased prosperity.

I am sure you will all join with me in expressing our deep sense of appreciation, not only to the members of our staff, but to all our employees who have rendered us such good service, and without whose loyal and ready help the past year's success could not have been achieved. We do our best, as I am sure you would wish, to look after the welfare of one and all, in order that their lives may be rendered as happy as possible, and we feel and know that our efforts in this regard are duly appreciated. (Applause.) I beg to propose the adoption of the report and accounts.

Mr. V. G. Crittall (managing director) seconded the motion, which was carried unanimously.

The dividends recommended were approved; Mr. E. H. Runnacles and Mr. F. P. Walker, the retiring directors, were re-elected, and Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake were reappointed auditors.

A hearty vote of thanks was accorded to the chairman, directors, and staff.

### CAPITAL REORGANISATION.

The Chairman, in acknowledging the vote, said: May I claim your further attention for a few moments while I outline to you as briefly as possible the proposals which are contained in a circular which will be posted to all shareholders to-night?

In the remarks I have just made, I hope I have succeeded in conveying to you a clear picture of our organisation, the basis upon which it has been established, and of the undoubted possibilities that await us in the further development of our plans.

I have told you of the capacity of our plants, that our sales continue to show substantial increases, and of the necessity we felt for making ourselves more self-contained by erecting and equipping additional manufacturing units for fittings, &c., which fittings we have hitherto obtained from outside sources.

We have also found it essential to provide more adequate accommodation for our clerical staff in London, to which we propose to transfer our selling organisation and showrooms; there are also certain extensions of a minor nature to be completed, which will further improve our capacity and efficiency.

The question of the effective distribution of our products is one, as I have already indicated, that has occupied the earnest attention of your directors; it is fundamental that our customers should be in a position to obtain windows in or near their immediate locality as and when they require them. Therefore, to meet this situation, it is our intention to establish depots or warehouses in selected areas; we recently opened such a depot at Leicester with most gratifying results, and we are confident that the extension of this plan

will be increased from 10 per cent. to about 10½ per cent. per annum. Moreover the directors anticipate great expansion of business, which will be shared by the present preference shareholders through their holdings of ordinary shares.

The directors have very carefully considered the scheme in order to satisfy themselves of its essential fairness and benefit to both classes of shareholders, and they unanimously recommend it for acceptance with every confidence.



The Economist (London)

Nr. 4333

CRITTALL MANUFACTURING COMPANY, LIMITED.  
ATTRACTIVE REORGANISATION SCHEME.

Presiding at the annual general meeting of the Crittall Manufacturing Company, Limited, held on the 6th instant, Mr F. H. Crittall, chairman, in moving the adoption of the report and accounts, stated that the profit earned during the past year amounted to £114,085 15 7½, which he thought might be considered as very satisfactory, showing as it did an increase of £43,922 2s 10d. This, with their share premium account and the amount brought in, enabled them to bring the dividend on the participating preference shares up to the maximum of 10 per cent. for the year, to place £40,000 to reserves, raising these funds to £54,650, to write off preliminary expenses over £6,000, to pay 15 per cent. on the ordinary share capital, and to carry forward £15,355, as against £6,381 brought in.

Having reviewed the operations of the past year, the Chairman continued: In the remarks I have just made I hope I have succeeded in conveying to you a clear picture of our organisation, the basis upon which it has been established and of the undoubted possibilities that await us in the further development of our plans.

I have told you of the capacity of our plants, that our sales continue to show substantial increases, and of the necessity we felt for making ourselves more self-contained by erecting and equipping additional manufacturing units for fittings, &c., which fittings we have hitherto obtained from outside sources.

The question of the effective distribution of our products is one, as I have already indicated, that has occupied the earnest attention of your directors; it is fundamental that our customers should be in a position to obtain windows in or near their immediate locality as and when they require them. Therefore, to meet this situation it is our intention to establish depots or warehouses in selected areas; we recently opened such a depot at Leicester with most gratifying results, and we are confident that the extension of this plan on the lines I have indicated will prove most profitable.

A circular is being issued to the shareholders to-night, which invites your approval to the proposals for the rearrangement of the company's existing capital in a manner which, in the considered judgment of your directors, will prove advantageous to all shareholders and to the future prosperity of the company, and also provides the additional capital required for the necessary further developments.

The matter is one that has received the most careful consideration of your board, they being anxious to formulate a scheme under which the maximum benefits in every respect may accrue to existing shareholders, for it will be appreciated that in other circumstances it might be difficult to obtain this new capital without prejudicing the position of all existing shareholders, owing to the present high rate of interest, including the participating rights paid on the preference shares.

This scheme, we are advised, can, with the aid of the requisite resolutions of the two present classes of shareholders and of the company, be carried out with the minimum of expense, and the necessary separate class meetings and company meetings are being

summoned for the purpose of giving effect thereto.

The scheme is shortly as follows:—It is proposed that the present preference shares shall as from June 1, 1926, be replaced by debenture stock, preference shares, and ordinary shares in such proportions that every ten present preference shares (and so in proportion for less numbers than ten) will as from that date be represented by £3 of 6 per cent. redeemable debenture stock, £4 of 7 per cent. cumulative preference shares, and £3 of ordinary shares, and that in addition each holder of existing preference shares will have a transferable right to subscribe for one ordinary share ranking *pari passu* with the existing ordinary shares as from June 1, 1926, at a price of 25s per share for every two of the present preference shares held by him. Fractions of debenture stock and shares will not be issued, but arrangements have been made whereby, if the scheme is approved, such fractions will be realised to advantage.

In order to give effect to the provisions of the scheme, and to make ample provision for the rapidly expanding business of the company, it is necessary to increase the nominal share capital by £600,000. The company will also create £500,000 6 per cent. debenture stock, of which £150,000 will be issued to the existing preference shareholders, leaving £350,000 for future issue. The share capital as rearranged will consist of £500,000 7 per cent. cumulative preference shares and £1,000,000 ordinary shares, and, when the scheme is carried out, the issued capital will be £200,000

preference shares and £600,000 ordinary shares. There will, therefore, be available, in addition to the £350,000 debenture stock, £300,000 7 per cent. cumulative preference shares, and £400,000 ordinary shares for future issue, as required by the normal developments of the business.

On the basis of the proposed capital and payment of the same rate of dividend, viz., 15 per cent. on the ordinary share capital thereof, the effect of the scheme will be that the dividend accruing to the preference shareholders from their converted and new holdings will be increased from 10 per cent. to about 10½ per cent. per annum. Moreover, the directors anticipate great expansion of business, which will be shared by the present preference shareholders through their holdings of ordinary shares. The directors have very carefully considered the scheme in order to satisfy themselves of its essential fairness and benefit to both classes of shareholders, and they unanimously recommend it for acceptance with every confidence.

The report and accounts were unanimously adopted.



# The Financial News (London)

No 13192

## CRITTALL'S EXPANSION.

In comparing the accounts of the CRITTALL MANUFACTURING COMPANY, LIMITED, for the year to May 31 last with those for the previous twelve months, regard must be paid to the capital re-arrangement during the period under re-view. At the date of the previous accounts, the issued capital was £700,000, of which £500,000 was in 8 per cent. cumulative Participating Preference shares and the balance in Ordinaries. In September, 1926, the proprietors approved of a scheme whereby the then Preference capital was to be exchanged for debenture stock, Ordinary shares and Preference shares, the last losing their participating rights and carrying a 7 per cent. dividend, while holders of Preference capital were also given the right to take up additional Ordinaries. Last May, the directors announced the conclusion of an agreement for the sale of additional debenture stock and Preference and Ordinary shares, ranking *pari passu* as from June, the additional capital being required to finance the continuous expansion of the business. The present accounts show an issued share capital of £1,060,000, of which £660,000 is in Ordinaries, together with £350,000 in 6 per cent. debenture stock, and although the Ordinary dividend rate of 15 per cent. now recommended is the same as a year ago, it is being distributed on £600,000 instead of £200,000, while the Preference dividend, on the other hand, is on £200,000, as against £500,000, and the rate of 7 per cent. compares with 10 per cent.

As will be seen from the following comparative table, profits show a marked increase, while distribution is again on a conservative basis, the allocations to general and depreciation reserves exceeding the Ordinary dividends.

	1926-27.	1926-27.
	£	£
Trading profits .....	114,085	168,806
Interest, directors' fees, &c. ....	11,308	21,408
Net profits .....	102,777	147,398
Share premium account .....	25,000	71,041
Total .....	127,777	218,439
Preference dividends .....	42,921	14,000
Ordinary .....	30,000	90,000
To general reserve .....	25,000	70,000
Depreciation reserve .....	18,000	25,000
Writing off preliminary expenses ..	6,382	15,356
Brought in .....	15,353	29,274
Forward .....	15,353	29,274

Including debenture stock, the capital account is up by £710,000, or just over 100 per cent., while the balance-sheet total is £834,807 higher. Of the additional working capital, £371,896 has been put into land, buildings, machinery and plant, while just over £250,000 more is represented by interests in subsidiary and associated undertakings. We compare the balance-sheets below:—

	May 31, 1926.	May 31, 1927.
	£	£
Capital .....	700,000	1,060,000
Debenture stock .....	74,857	350,000
Loans .....	109,855	184,987
Creditors .....	5,000	50,000
General reserve .....	9,850	24,850
Depreciation reserve .....	25,000	71,041
Share premium account .....	288,742	530,139
Land and buildings, &c. ....	267,598	537,586
Plant and machinery, &c. ....	230,563	354,262
Stocks .....	61,255	311,176
Holdings in and amounts due by subsidiary and associated companies ..	81,309	169,701
Debtors .....	22,197	92,651
Cash .....	12,051	—
Preliminary expenses .....	1,023,598	1,855,405
Balance-sheet total .....	—	—

It will be noted that the loans have been paid off. Most of this item was represented by advances from the Government, which accounted for £65,468 a year ago. At the forthcoming meeting shareholders will be asked to sanction the creation of a nucleus for an employees' benefit fund, and it may be pertinent to point out that the company has as high a reputation as a considerate employer as it enjoys for the quality of its products. It is not too much to suggest that this practical application of the doctrine that the labourer is worthy of his hire is largely responsible for the remarkable expansion of the business, which has made such rapid progress since its conversion into a public company only three years ago.



The Financial News (London)

No. 13199

CRITTALL MANUFACTURING  
COMPANY.

Progress of Metal Window Industry.

ACQUISITION OF ALLIED BUSINESSES.

The third ordinary general meeting of the Crittall Manufacturing Co., Ltd., was held yesterday at River Plate House, Finsbury-circus, E.C.

Mr. Francis H. Crittall, J.P. (governing director and chairman), presided.

The Secretary (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen, it affords me great pleasure to preside again at this our annual general meeting, for I feel sure we can all review with satisfaction the progress that has been made in the last three years, during which period we may reasonably claim to have established our business on a sound basis.

The balance-sheet is simple in its form and clearly reveals the strength of our position.

You will notice that of our authorised capital and debenture stock there have been issued:—

£400,000 7 per cent. cumulative preference shares,  
£800,000 ordinary shares,  
£350,000 debenture stock,

but, as you will have learned from the circular issued to you on the 17th May last, 200,000 preference, 60,000 ordinary shares, and £200,000 debenture stock of such securities do not rank for dividend or interest out of the earnings of the year under review.

On the assets side, you will notice that considerable additions have been made to our freehold lands and buildings and to fixed plant and machinery. There are also increases over last year of approximately £80,000 each in stocks and manufactured and partly manufactured goods, and sundry debtors and debit balances. These are consequent upon the increased volume of trade we are now handling.

The advances to subsidiary companies show an increase over last year of approximately £250,000; this is partly due to the plans for the further development of our overseas trade, while approximately fifty per cent. of these advances have been incurred in connection with an interest at Silver End, about which I shall speak to you later.

As regards our liabilities, the only item which calls for comment is that of sundry creditors, which show an increase over last year for the reasons I have assigned to the increase in debtors.

ALLOCATION OF PROFIT.

I now come to the item of profit, namely, £163,285 11s. 10d., which, compared with last year's figure, shows an increase of £49,200 10s. 3d. This result, I think you will agree, is all the more satisfactory when consideration is given to the fact that the past year has not been without its difficulties in regard to trading, and that during the same period we have, while handling a substantially increased volume of trade, been actively engaged on extensions, additions and reorganisations, the benefits from which are not reflected in the figures before you.

We carried forward from last year the sum of £15,355 18s. 10d., which, added to the profit mentioned of £163,285 11s. 10d., gives a total of £178,641 10s. 8d. After deducting from this amount directors' fees, governing director's salary, interest on loans, and debenture interest for the year, and providing for the preference dividend paid on the 1st December last, there is a balance of £150,232 15s. 1d., to which we add the share premium account balance of £71,040 18s. 9d., making a total of £221,273 13s. 10d. This amount we propose to deal with as follows:—

To meet the dividend at the rate of 7 per cent. per annum on 200,000 preference shares for the six months ended 31st May, 1927 (paid 1st June, 1927)	£7,000 0 0
To transfer to general reserve	70,000 0 0
To transfer to depreciation reserve	25,000 0 0
To meet the dividend at the rate of 15 per cent. per annum on £800,000 ordinary share capital for the year ended 31st May, 1927	90,000 0 0
Leaving a balance to be carried forward of	29,273 13 10
About which sum I shall make subsequent reference.	

£221,273 13 10

I have on previous occasions dealt so fully with the nature of our business, and the work carried on at our different factories, that it would seem superfluous on my part to make further reference to these points. I feel it desirable, however, to do so, in order that you may possess as intimate a knowledge as possible regarding the present position of affairs in relation to future prospects.

At our last annual meeting I reminded shareholders that indications were not lacking that further demands would be made upon our resources in the near future, and subsequent events have amply demonstrated that

this view was correct. In fact, since our last annual meeting the steady demand for our products has been of such volume that the question of increasing our output capacity presented itself as a matter of urgency.

It was in these circumstances that we negotiated successfully for the finance necessary for our purposes, and by reason of the fact that the greater part of the fresh money was raised through the medium of our fixed interest securities, the equity of the business is materially enhanced to the benefit of our ordinary shareholders.

It may be in the minds of some of you that our profits have been unduly influenced by the present boom in the building trade. In this regard, I would say that we are satisfied that when the building trade again becomes normal, we shall still be unable to cope with the volume of trade which awaits us. (Hear, hear.)

Here I would repeat what I have maintained on a previous occasion, namely, the metal window business is still merely in its infancy, and, therefore, the scope for expansion is practically unlimited.

BUSINESS EXTENSIONS.

It is in the light of this firm conviction that we have laid our plans, and in the interests of the company (which are the interests of all of us here), that during the past year we have expended such considerable sums upon extensions.

The additional expenditure on our Witham and Maldon factories which have yielded in the past year over one-half of the total output of the company, has been fully justified by results. Our experience at these factories has confirmed us in the view that where it is in any way possible, the point to be aimed at is that of intensive production.

For this reason, we have during the past year so extended and rearranged our Braintree organisation that, by December next the major portion of our output from this factory will be of standard design and manufacture. This should result not only in a considerable reduction in costs but a material increase of output capacity.

You will, I am sure, be glad to know that the establishment of our fittings factory at Silver End is an unqualified success. I pointed out to you a year ago how desirable it was that the very large number of fittings and small parts used in the production of metal windows should be manufactured under our own control, in order to ensure for our main factories continuity of supply, and the maintenance of that standard of quality which is a salient feature of all Crittall products.

The institution of depots or warehouses in various parts of the country, whereby the

Wenden



finished window is stored, and can be purchased over the counter by builders, etc., has added very materially to our sales, and has proved of immense benefit to our organisation, so much so that it is our intention to extend our activities in this direction at strategic points both at home and abroad.

In addition to these matters, I am pleased to tell you we have further added to our strength in two other directions. We have acquired the business of Messrs. E. J. Parlanti and Co., of West Kensington, long recognised as the leading casters of statuary bronze in Great Britain. Architectural features enter largely into modern window requirements, and it was to enable us to secure this business that the purchase was effected. We have already experienced the benefit of this transaction.

We are also pleased to say we have now completed satisfactory arrangements with Messrs. Mellowes and Co., Ltd., of Sheffield, the largest producers of patent roof glazing, whereby, in addition to an interest in the business, we are able to market "Mellowes Eclipse Patent Glazing" throughout the world through the agency of our home and overseas branches. (Hear, hear.)

The importance of this fresh interest will be more apparent to you when I explain that in very many cases the roof glazing and metal window businesses are complementary to each other.

I should add that Messrs. Mellowes have during their forty years of experience in this specialised industry evolved a patented type of roof glazing, the demand for which leaves no doubt as to its outstanding merit.

#### OVERSEAS TRADE.

The continued growth of our overseas trade affords us much satisfaction, and its development is such that during the past year we have opened further branches and formed additional subsidiary companies in various parts of the world. These extensions to our overseas sales organisation have enabled us to double our export trade, which now forms a considerable portion of our total business, and we have reason to believe that in the current year we shall enjoy similar progress.

An important feature with regard to the overseas trade is that it is not subject to seasonal demands, and by reason of its widespread nature, trade depression in any one country has no material effect on its volume.

My visit to South Africa has yielded most satisfactory results. Various alterations and extensions to our organisation in that country were carried out, the immediate result of which is that we are now having to deal with a larger demand from that quarter than at any previous time. Continued progress in that branch of our activities is anticipated.

In dealing with the item in the balance-sheet under the heading of advances to subsidiary companies, I referred to the interest at Silver End. This consists of certain areas of land, which have been acquired through our subsidiary, the Silver End Development Co., for the purpose of providing in the vicinity of our factories housing accommodation for those of our employees who, in other circumstances, would have to travel unreasonable distances daily to and from their work. You will readily understand that in a district such as that in which our factories are situated there is a limit to the supply of both housing and labour. This question was one which, by reason of the rapidly-expanding nature of our business, and a correspondingly increasing demand for labour, called for prompt action.

After careful consideration of the situation in all its aspects, we decided that in order to avoid any possibility of hindrance to our development plans, and to attract the labour required to the neighbourhood, the wisest, and in fact the only, course for us to adopt was to establish our own housing estate whereon we could erect suitable houses as dictated by our growing needs.

The course we have adopted is amply justified by the fact that all completed houses are occupied by employees, who have acquired them either by purchase on the instalment plan or by renting, and there are tenants waiting for all houses in course of erection.

In the early months of next year it is our intention to afford our shareholders and our employees the opportunity of securing an interest in this undertaking on terms which, in our opinion, will prove advantageous to them.

#### FIVE-DAY WEEK.

A salient feature in the general scheme of our organisation is the successful institution of the five-day week throughout our factories, which change was partially inaugurated as an experiment as far back as January, 1926. This

experiment was such an unqualified success that it has been extended to all our employees, and the change has yielded highly beneficial results. The opportunity thus afforded of additional hours for recreation, and recuperation, at the week-end has resulted in improved efficiency to such an extent that, in spite of the diminution in working hours, the output per man has actually increased. (Applause.)

It is probably within the minds of many of you that in the United States a great organiser of industry has recently adopted this policy, and, in fact, claims for it that it is the most important move of modern times towards not only the furtherance of economical production but in the amelioration of labour conditions. With this view we are in complete accord.

If I have kept you unduly in thus elaborating all the different aspects of our business, it is, as I have previously indicated, for the reason that I am anxious you should become fully acquainted with every branch of our activities, for I, in conjunction with all your directors, feel that we have now reached a stage in the development of our business when we can look forward with renewed confidence to its future prosperity.

There are one or two other matters to which I must refer, and one is that, owing to our increased volume of trading necessitating the carrying of larger stocks, we find it will be much more convenient to take stock as at August 31st, instead of May 31st, as at present. This, we trust, will facilitate the early rendering of our accounts. For the future, therefore, the company's financial year will end on August 31st, and the next accounts to be presented to you will be in respect of fifteen months to August 31st, 1928.

#### INTERIM DIVIDEND POLICY.

The directors also feel that in the interests of shareholders the policy of paying an interim dividend on the ordinary share capital should be instituted. (Hear, hear.) We therefore propose to adopt this course during the current financial year, and due notice as to the date of payment will be given.

Before concluding my remarks, it is my pleasant duty to pay a just tribute to our executive, the staff, and to all our employees, whose loyal and ready service has contributed so materially to the success of the past year's operations. I am sure you will all wish to join me in the expression of our deep sense of gratitude for their assistance in forwarding the success of our company. On our part, it has been a pleasure to increase our efforts to improve the welfare of one and all of them, and we have reason to believe that our efforts in this direction are not only successful, but duly appreciated.

In this regard, I think you will agree with your board that the time has arrived when provision should be made for giving the employees a share in the prosperity of the company. To do this, we propose to ask your sanction to the allocation out of the past year's profits of the sum of £10,000, which shall form the nucleus of a fund for their benefit, to be administered by trustees appointed by them and the directors. (Applause.)

I now beg to move: "That the directors' report and statement of accounts as at 31st May, 1927, now submitted to this meeting, be

and the same are hereby, received and adopted."

Mr. V. G. Crittall (managing director) seconded the motion, which was carried unanimously.

The dividend, as recommended, was declared, and it was unanimously resolved that a sum of £10,000 be transferred from profit and loss account to a separate account for the purpose of forming the nucleus of a fund for the benefit of employees of the company, and the directors be authorised to prepare and put into operation a scheme for the benefit of such employees.

The retiring directors (Mr. V. G. Crittall and Mr. W. C. C. Bywater) were re-elected, and the auditors (Messrs. Kemp, Christeris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake) were reappointed.

A cordial vote of thanks having been given to the chairman and directors for the successful results achieved by the company,

The Chairman, in acknowledging the compliment, said that they had just completed the first three months' trading of the new year, and that they had every reason to be satisfied with the results.

The proceedings then terminated.



The Times (London)

No. 44681

CRITTALL  
MANUFACTURING CO.

DEMAND FOR METAL  
WINDOWS.

RAPID GROWTH OF BUSINESS.

RECORD PROFIT.

MR. F. H. CRITTALL'S ADDRESS.

The THIRD ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at River Plate House, Finsbury-circus, E.C.

Mr. FRANCIS H. CRITTALL, J.P. (Governing Director and Chairman), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen.—It affords me great pleasure to preside again at this our annual general meeting, for I feel sure we can all review with satisfaction the progress that has been made in the last three years, during which period we may reasonably claim to have established our business on a sound basis.

BALANCE-SHEET ITEMS.

The balance-sheet is simple in its form and clearly reveals the strength of our position. You will notice that of our authorized capital and Debenture stock there have been issued:—£400,000 7 per cent. Cumulative Preference shares, £660,000 Ordinary shares, and £350,000 Debenture stock; but, as you will have learned from the circular issued to you on May 17 last, 200,000 Preference, 60,000 Ordinary shares, and £200,000 Debenture stock of such securities do not rank for dividend or interest out of the earnings of the year under review.

On the assets side, you will notice that considerable additions have been made to our freehold lands and buildings and to fixed plant and machinery. There are also increases over last year of approximately £80,000 each in stocks of manufactured and partly manufactured goods, and sundry debtors and debit balances. These are consequent upon the increased volume of trade we are now handling.

The advances to subsidiary companies show an increase over last year of approximately £250,000; this is partly due to the plans for the further development of our overseas trade, while approximately 50 per cent. of these advances have been incurred in connexion with an interest at Silver End, about which I shall speak to you later.

As regards our liabilities, the only item which calls for comment is that of sundry creditors, which show an increase over last year for the reasons I have assigned to the increase in debtors.

TRADING RESULTS.

I now come to the item of profit—namely, £163,285 11s. 10d., which, compared with last year's figure, shows an increase of £49,200 10s. 3d. This result, I think you will

agree, is all the more satisfactory when consideration is given to the fact that the past year has not been without its difficulties in regard to trading, and that during the same period we have, while handling a substantially increased volume of trade, been actively engaged on extensions, additions, and re-organizations, the benefits from which are not reflected in the figures before you.

We carried forward from last year the sum of £15,355 18s. 10d., which, added to the profit mentioned of £163,285 11s. 10d., gives a total of £178,641 10s. 8d. After deducting from this amount directors' fees, governing director's salary, interest on loans, and Debenture interest for the year, and providing for the Preference dividend paid on December 1 last, there is a balance of £150,232 15s. 1d., to which we add the share premium account £221,273 13s. 10d. This amount we propose to deal with as follows:—

To meet the dividend at the rate of 7 per cent. per annum on 200,000 Preference shares for the six months ended May 31, 1927 (paid June 1, 1927) .. .. .	£7,000	0	0
To transfer to general reserve .. .. .	70,000	0	0
To transfer to depreciation reserve .. .. .	25,000	0	0
To meet the dividend at the rate of 15 per cent. per annum on £600,000 Ordinary share capital for the year ended May 31, 1927 .. .. .	90,000	0	0
Leaving a balance to be carried forward of .. .. .	29,273	13	10
about which sum I shall make subsequent reference.			
	£221,273	13	10

UNLIMITED SCOPE FOR EXPANSION.

I have on previous occasions dealt so fully with the nature of our business and the work carried on at our different factories that it would seem superfluous on my part to make further reference to these points. I feel it desirable, however, to do so, in order that you may possess as intimate a knowledge as possible regarding the present position of affairs in relation to future prospects.

At our last annual meeting I reminded shareholders that indications were not lacking that further demands would be made upon our resources in the near future, and subsequent events have amply demonstrated that this view was correct. In fact, since our last annual meeting the steady demand for our products has been of such volume that the question of increasing our output capacity presented itself as a matter of urgency.

It was in these circumstances that we negotiated successfully for the finance necessary for our purposes, and, by reason of the fact that the greater part of the fresh money was raised through the medium of our fixed interest securities, the equity of the business is materially enhanced to the benefit of our Ordinary shareholders.

It may be in the minds of some of you that our profits have been unduly influenced by the present boom in the building trade. In this regard I would say that we are satisfied that when the building trade again becomes normal we shall still be unable to cope with the volume of trade which awaits us. (Cheers.)

Here I would repeat what I have maintained on a previous occasion—namely, the metal window business is still merely in its infancy, and therefore the scope for expansion is practi-

cally unlimited.

It is in the light of this firm conviction that we have laid our plans, and in the interests of the company (which are the interests of all of us here) that during the past year we have expended such considerable sums upon extensions.

INTENSIVE PRODUCTION.

The additional expenditure on our Witham and Maldon factories, which have yielded in the past year over one-half of the total output of the company, has been fully justified by results. Our experience at these factories has confirmed us in the view that, where it is in any way possible, the point to be aimed at is that of intensive production.

For this reason we have, during the past year, so extended and rearranged our Braintree organization that by December next the major portion of our output from this factory will be of standard design and manufacture. This should result not only in a considerable reduction in costs but a material increase of output capacity.

You will, I am sure, be glad to know that the establishment of our fittings factory at Silver End is an unqualified success. I pointed out to you a year ago how desirable it was that the very large number of fittings and small parts used in the production of metal windows should be manufactured under our own control, in order to ensure for our main factories continuity of supply and the maintenance of that standard of quality which is a salient feature of all Crittall products.

The institution of depôts or warehouses in various parts of the country, whereby the finished window is stored and can be purchased over the counter by builders, &c., has added very materially to our sales, and has proved

of immense benefit to our organization; so much so that it is our intention to extend our activities in this direction at strategic points both at home and abroad.

ANOTHER BUSINESS ACQUIRED.

In addition to these matters I am pleased to tell you we have further added to our strength in two other directions. We have acquired the business of Messrs. E. J. Parlant and Co., of West Kensington, long recognized as the leading casters of statuary bronze in Great Britain. Architectural features enter largely into modern window requirements, and it was to enable us to secure this business that the purchase was effected. We have already experienced the benefit of this transaction.

We are also pleased to say we have now completed satisfactory arrangements with Messrs. Mellowes and Co., Limited, of Sheffield, the largest producers of patent roof glazing, whereby, in addition to an interest in the business, we are able to market "Mellowes Eclipse Patent Glazing" throughout the world through the agency of our home and overseas branches. (Hear, hear.)

The importance of this fresh interest will be more apparent to you when I explain that in very many cases the roof glazing and metal window businesses are complementary to each other.

I should add that Messrs. Mellowes have, during their 40 years of experience in this specialized industry, evolved a patented type of roof glazing, the demand for which leaves no doubt as to its outstanding merit.

DEVELOPMENT OF OVERSEA TRADE.

The continued growth of our overseas trade affords us much satisfaction, and its development is such that during the past year we have opened further branches and formed additional subsidiary companies in various parts of the world. These extensions to our overseas sales organization have enabled us to double our export trade, which now forms a considerable portion of our total business, and we have reason to believe that in the current year we



shall enjoy similar progress.

An important feature with regard to the overseas trade is that it is not subject to seasonal demands, and by reason of its widespread nature trade depression in any one country has no material effect on its volume.

My visit to South Africa has yielded most satisfactory results. Various alterations and extensions to our organization in that country were carried out, the immediate result of which is that we are now having to deal with a larger demand from that quarter than at any previous time. Continued progress in that branch of our activities is anticipated.

In dealing with the item in the balance-sheet under the heading of advances to subsidiary companies, I referred to the interest at Silver End. This consists of certain areas of land which have been acquired through our subsidiary, the Silver End Development Company, for the purpose of providing in the vicinity of our factories housing accommodation for those of our employees who, in other circumstances, would have to travel unreasonable distances daily to and from their work. You will readily understand that in a district such as that in which our factories are situated there is a limit to the supply of both housing and labour. This question was one which, by reason of the rapidly expanding nature of our business and a correspondingly increasing demand for labour, called for prompt action.

#### WELFARE OF LABOUR.

After careful consideration of the situation in all its aspects, we decided that in order to avoid any possibility of hindrance to our development plans and to attract the labour required to the neighbourhood the wisest and, in fact, the only course for us to adopt was to establish our own housing estate whereon we could erect suitable houses as dictated by our growing needs.

The course we have adopted is amply justified by the fact that all completed houses are occupied by employees, who have acquired them either by purchase on the instalment plan or by renting, and there are tenants waiting for all houses in course of erection.

In the early months of next year it is our intention to afford our shareholders and our employees the opportunity of securing an interest in this undertaking on terms which, in our opinion, will prove advantageous to them.

A salient feature in the general scheme of our organization is the successful institution of the five-day week throughout our factories, which change was partially inaugurated as an experiment as far back as January, 1926. This experiment was such an unqualified success that it has been extended to all our employees, and the change has yielded highly beneficial results. The opportunity thus afforded of additional hours for recreation and recuperation at the week-end has resulted in improved efficiency to such an extent that, in spite of the diminution in working hours, the output per man has actually increased. (Cheers.)

It is probably within the minds of many of you that in the United States a great organizer of industry has recently adopted this policy, and, in fact, claims for it that it is the most important move of modern times towards not only the furtherance of economical production but in the amelioration of labour conditions. With this view we are in complete accord.

If I have kept you unduly in thus elaborating all the different aspects of our business, it is, as I have previously indicated, for the reason that I am anxious you should become

fully acquainted with every branch of our activities, for I, in conjunction with all your directors, feel that we have now reached a stage in the development of our business when we can look forward with renewed confidence to its future prosperity.

#### INTERIM DIVIDEND PAYMENTS.

There are one or two other matters to which I must refer, and one is that, owing to our increased volume of trading necessitating the carrying of larger stocks, we find it will be much more convenient to take stock as at August 31 instead of May 31, as at present. This, we trust, will facilitate the early rendering of our accounts. For the future, therefore, the company's financial year will end on August 31, and the next accounts to be presented to you will be in respect of 15 months to August 31, 1928.

The directors also feel that in the interests of shareholders the policy of paying an interim dividend on the Ordinary share capital should be instituted. (Hear, hear.) We, therefore, propose to adopt this course during the current financial year, and due notice as to the date of payment will be given.

Before concluding my remarks it is my pleasant duty to pay a just tribute to our executive, the staff, and to all our employees, whose loyal and ready service has contributed so materially to the success of the past year's operations. I am sure you will all wish to join me in the expression of our deep sense of gratitude for their assistance in forwarding the success of our company. On our part, it has been a pleasure to increase our efforts to improve the welfare of one and all of them, and we have reason to believe that our efforts in this direction are not only successful but duly appreciated.

#### FUND FOR EMPLOYEES.

In this regard, I think you will agree with your board that the time has arrived when provision should be made for giving the employees a share in the prosperity of the company. To do this, we propose to ask your sanction to the allocation out of the past year's profits of the sum of £10,000, which shall form the nucleus of a fund for their benefit, to be administered by trustees appointed by them and the directors. (Hear, hear.)

I now beg to move "That the directors' report and statement of accounts as at May 31, 1927, now submitted to this meeting, be and the same are hereby received and adopted."

Mr. V. G. CRITTALL (managing director) seconded the motion, which was carried unanimously.

The dividend, as recommended, was declared, and it was unanimously resolved that a sum of £10,000 be transferred from profit and loss account to a separate account for the purpose of forming the nucleus of a fund for the benefit of employees of the company, and that the directors be authorized to prepare and put into operation a scheme for the benefit of such employees.

The retiring directors (Mr. V. G. Crittall and Mr. W. C. C. Bywater) were re-elected, and the auditors (Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake) were reappointed.

A cordial vote of thanks having been given to the chairman and directors for the successful results achieved by the company,

The CHAIRMAN, in acknowledging the compliment, said that they had just completed the first three months' trading of the new year, and they had every reason to be satisfied with the results. (Cheers.)

The proceedings then terminated.



The Financial News (London)

Nr. **13588**

## METAL WINDOW MAKERS' BIG PROFITS.

Crittall's Standardisation Policy.

### NEW PLANT FROM PREMIUMS.

*Remarkable progress has been made by the Crittall Manufacturing Co. during the few years of its existence, thus reflecting the popularity of the metal window frame. The accounts to end-August are reviewed below.*

Wenden!



("FINANCIAL NEWS" SPECIAL.)

In conceiving the idea of large-scale production of metal window and casement frames, Mr. F. H. Crittall, governing director and chairman of the company which bears his name, revolutionised modern building, for architects and other principals in that industry were quick to recognise the utility of such products.

Formed so recently as October, 1924, the Crittall Manufacturing Co. took over a family business started in 1889, and commenced with the modest issued share capital of £377,700. Rapid expansion, including the acquisition of a roof-glazing firm, as also that of an old-established bronze casting company, has led up to the present authorised capital of £1,500,000, of which £1,225,000 is in issue. Early success enabled the board to offer new £1 shares to existing holders twelve months ago at a premium of £1 10s. per share. A feature of the results to end-August, which are now submitted, is that out of a share premium account of £247,500, a large sum for a young company, nearly £120,000 has been expended upon new plant and machinery for standardised production at the Braintree works. A valuable source of additional revenue has been thus created out of funds free from capital obligations.

#### RECORD PROFITS.

The accounting period having been adjusted for the greater convenience of stocktaking, the directors' report and accounts cover fifteen months to August 31, and even allowing for this, the profits set up a new high record in contrast with former twelvemonth results. As shown in the table at the foot, the profits are £260,455, say at the rate of £208,365 for a year, and compare with £163,285 for twelve months to May 31, 1927. Interest on loans and Debenture stock requires rather more at £54,655, giving the net profit at £205,800.

#### THE DIVIDEND.

As promised at the last annual meeting, the policy of paying interim dividends was introduced, and 6d. per share was so paid on March 1; it is now recommended that the balance dividend be 3s. 3d. per share, making 3s. 9d. in all, being at the rate of 15 per cent. per annum over the period. The two distributions absorb £154,688 upon £825,000 of Ordinary capital ranking. The company's first dividend was 10 per cent., followed by 15 per cent. for each of the

two succeeding years down to May, 1927.

It is proposed to transfer £25,850 to depreciation reserve, raising the total to £75,000. As detailed below, former transfers to this fund, as also to general reserve, have been on a liberal scale. Although nothing is added to the last named on the present occasion the total stands in the balance-sheet at the round sum of £100,000. Reference is made above to the utilisation of nearly £120,000 of share premium account for works rearrangement and new plant. It is worthy of note that in addition this account has been charged with £11,084 new issue expenses and £26,250 discount of the recent Note issue, the net effect being to reduce premiums from £247,500 to £90,170.

#### CAPITAL CHANGES.

Consistent with the Board's programme of factory improvements to keep pace with demand and of development in overseas markets, £750,000 6 per Cent. 5-Year Notes were placed at 96½ early in August. Other changes in the capital account include the issue of £165,000 new Ordinaries, while £200,000 in 7 per Cent. Preference shares and £200,000 6 per Cent. Debenture, together with £60,000 in Ordinaries, issued towards the close of the last accounting period rank for dividend this time.

#### AMERICAN CASEMENT CO.

The directors state that the rolling mills at Darlington and the plant at Dusseldorf, Germany, are working satisfactorily. They also add that since the date of the accounts they have acquired in the United States the entire business carried on under the name of Crittall Casement Window Co., Detroit, U.S.A.

The balance-sheet presents a strong appearance, and of a total of £2,851,047 some of the principal items are £617,420 for properties, £523,970 for plant and machinery, £495,831 for stock, £292,230 for holdings in subsidiary and associated companies, while cash appears for £351,505.

Yesterday's closing price for the Ordinaries was slightly easier at 55s. 6d.; earlier in the year they changed hands at 60s. 9d., the lowest price being 48s. During 1927 the extremes were 65s. 6d. and 2½.

The annual meeting is convened for 2.30 p.m. on 18th instant at River Plate House, Finsbury-circus, E.C.

Following is a comparative table of results for three periods to date:—

	Year to May 31, 1926.	Year to May 31, 1927.	15 Months to Aug. 31, 1928.
	£	£	£
Gross profit .....	114,085	163,285	200,455
Net profit* .....	102,577	141,876	205,800
To general reserve .....	25,000	70,000	—
To depreciation reserve .....	15,000	25,000	25,350
Ordinary capital .....	200,000	600,000	825,000
Ordinary dividend .....	30,000 (15 p.c.)	90,000 (15 p.c.)	154,688 (18 p.c.)
Carried forward .....	15,356	†29,274	10,036

\* After Debenture and loan interest, directors' fees, &c.

† Prior to deduction £10,000 for staff benefit fund.



The Financial News (London)

18590

CRITTALL MANUFACTURING  
COMPANY.

A World Wide Policy—Prospects in the  
U.S.A.

HOME SUPPLIES OF RAW MATERIALS.

The fourth ordinary general meeting of the Crittall Manufacturing Co., Ltd., was held yesterday at River Plate House, Finsbury-circus, E.C. Mr. Francis Henry Crittall, J.P. (governing director and chairman), presided.

The Chairman said that, before calling upon the secretary to read the notice, he would like, on behalf of all those present, to express their sympathy with the Royal Family in their present trial, and their earnest wish that His Majesty the King might soon be fully restored to health. (Hear, hear.)

The Secretary (Mr. F. G. Rogers) then read the notice convening the meeting and the report of the auditors.

The Chairman, who was received with applause, said: Ladies and gentlemen, I assume it is your wish that the report and accounts, which have been duly circulated, should be taken as read.

I ask you, therefore, to turn with me to the balance-sheet while I deal with the items which call for comment.

On the liabilities side, you will notice that our share capital, as compared with last year's balance-sheet, has been increased by the issue to shareholders in October, 1927, of 165,000 Ordinary shares of £1 each, the company receiving payment in November, 1927.

There was also issued in August last, just prior to the closing of the accounts, £750,000 6 per Cent. Five-Year Notes.

The reasons for these increases I shall deal with in my later remarks.

The item of unclaimed dividends calls for no comment, while sundry creditors and credit balances, as compared with May, 1927, show a decrease of approximately £60,000.

Share premium account, £247,500, representing the premium of £1 10s. per share on 165,000 Ordinary shares, has, you will observe, been reduced to £90,170 16s. 5d. which latter sum constitutes a reserve additional to the existing general reserve of £100,000.

The first two charges against the item of £247,500, namely, new issue expenses £11,083 13s. 7d., and discount on issue of notes £26,250, are items which you will agree with me should be dealt with summarily in any balance sheet, and I now come to the deduction of £119,395 10s., being expenditure for 15 months to 31st August, 1928, arising out of the rearrangement of the company's works and plant.

BRAINTREE FACTORY REORGANISED.

The principal items in this expenditure were incurred in our largest and oldest factory at Braintree, and in starting up a new forging plant in connection with our Silver End Work. Taking as a pattern our factories at Witham and Maldon, which were built exclusively for standardised production, we have in the period under review carried through at Braintree a complete reorganisation of method, whereby our capacity for custom made windows has been more than doubled, and with the factory running at this increased capacity, as it is now doing, we estimate that we are saving annually in cost of production at least one half of the capital cost incurred. At the same time, we embarked on a process of bronze forging at our new factory at Silver End, so that our standardised casements are now supplied with bronze hardware manufactured by ourselves, at no greater cost than the iron fittings which we previously purchased. I am glad to say that this improvement has stimulated in a marked degree the demand for this type of window.

We have written off this expenditure in order that our fixed assets may remain at a figure which we know to be well below their actual replacement value, and I think you will agree with me that this money has been well spent, and that our balance-sheet position has been materially strengthened by the course we have adopted.

BALANCE-SHEET ITEMS.

I propose to deal with the profit and loss account, after I have made reference to the asset side of the balance-sheet.

The first item of assets is that of freehold land and buildings, which you will see shows that against last year this figure has been increased by £87,282 1s. 1d., while fixed plant and machinery, loose tools, &c., show an increase of £126,604 2s. 11d.

Our stocks of manufactured goods and raw materials at £495,831 9s. 3d. show an increase over last year of £141,019 4s. 6d. This increase is perfectly natural in relation to the volume of trade we are doing and is necessary in order to ensure prompt supplies to our consumers.

While holdings in and amounts due by subsidiary and associated companies show an apparent decrease as compared with last year, due to the change in presentation of our accounts, there is actually an increase under this heading of approximately £145,000. Our interest in the Silver End Development Co., dealt with separately on this occasion, has been increased by approximately £200,000 to £378,273 1s., and I will make subsequent reference to this integral part of our organisation.

The small item of our investment in War Loan is a necessary outcome of the terms of the trust deed for the Debenture stock.

It is satisfactory to note that in spite of our increased trade, sundry debtors as compared with last year show only a moderate increase of £21,995 3s.

Cash in hand shows a very substantial in-

Handwritten signature



crease, which can be partly accounted for by the fact that the issue of Notes was made at the time I have stated.

#### PROFIT AND APPROPRIATION.

In turning now to profit and loss account, you will notice that the profit obtained for the fifteen months to the closing of the accounts at 31st August, 1928, was £260,455 3s. 9d., equivalent to £208,000 per annum, which shows a very substantial increase over the figure of £163,285 11s. 10d. for last year. With this result we are well satisfied, especially in view of the fact that our earnings were temporarily affected by the reduction in the Government housing subsidy, which for about five months caused serious dislocation in the building trade. You will be glad to know we have fully recovered from this position, and that our sales at home are now higher than at any period of our trading. (Applause.)

Taking now the figure of £260,455 3s. 9d., you will notice that the items which we have to deduct therefrom, including the payment of an interim dividend of 6d. per share, leave a balance of £176,448 4s. 5d.

From this amount we have to make allowance for the three months dividend on the Preference shares, which accrues from the 1st June to 31st August, namely, £7,000, while we propose to transfer the sum of £25,349 12s. 1d. to our depreciation reserve, bringing that account up to £75,000.

I shall put resolutions to you later in relation to the payment of 3s. 3d. per share final dividend on the Ordinary shares, absorbing £134,062 10s., which amount added to the interim dividend makes a total distribution at the same rate as last year.

These three amounts having been deducted from the item of £176,448 4s. 5d., leave a balance to be carried forward to next year of £10,036 2s. 4d.

This, I think, deals fully with the balance-sheet, and I now come to the general affairs of the company, for I am quite sure that, as shareholders, your chief desire is to hear not only that we are soundly established, but that the business we have built up, and the assets we have accumulated are such as to ensure increasing revenue for the future.

#### PRODUCTS IN CONTINUOUSLY INCREASING DEMAND.

That our company is well established is demonstrated by the fact that the demand for our products both at home and abroad is on a continuously increasing scale. This has to a large extent been brought about by our efficient sales and distribution organisation, which has called for the speeding up of the output from our factories, the capacity of which has been more than quadrupled since the inception of the company in 1924. (Applause.)

As regards our assets, we are possessed today of practically new buildings, plant, and machinery, built and equipped to produce the most efficient results, on which every £1 has been expended with a view to producing revenue. Especially is this the case in regard to Silver End, which is becoming a township, housing increasing numbers of our staff and employees, for, as I explained to you last year, the continued progress of your company is almost entirely dependent on the provision of suitable housing accommodation in close proximity to our factories. It will interest you to know that, apart from the necessity for this estate, it is already more than self-supporting, and surplus revenue from it is accruing to your company. (Applause.)

Now in regard to the prospect of increased earnings, you will appreciate that in a manufacturing company such as ours revenue must be preceded by capital outlay, and, as I have previously said, every £1 so far expended has been laid out with a view to future productivity.

#### A PROGRAMME OF WORLD-WIDE EXPANSION.

In this connection I would remind you that

during the last four years we have been engaged on a programme of expansion intended to embrace the markets of the world.

As part of this programme, and since our last annual meeting, we have taken an interest on very favourable terms in the Darlington Rolling Mills, by which action we are bringing under our own control the supply of our essential raw materials on a profitable basis. (Hear, hear.)

Our investment in this direction is already providing us with a supply of British material fully equal in quality to continental rolling, and when the new mill now being erected is complete, Darlington will be the most up-to-date light mill in the British Isles, and one of our soundest investments. (Applause.)

From our report you will see that we have also taken an interest in a manufacturing plant at Dusseldorf, Germany. This consists of a 50 per cent. interest in the Fenestra Crittall A.G. (the largest window factory on the Continent), which has been acquired for the specific purpose of gaining access for Crittall products in the Latin countries, and to provide the most effective channel through which to enter the South American markets.

#### THE SALES POLICY.

In previous years I have indicated to you the success which has attended that essential part of our company's sales policy by which we distribute our products from depots, where stocks of windows ready to use are at the immediate disposal of builders.

In Great Britain, one-half of our total output is distributed through this system of depots, and our aim has always been to carry stocks of Crittall windows throughout the world. You will better appreciate the comprehensiveness with which we are dealing with this policy when I tell you that we have already established ourselves at important points of vantage from which our trade can radiate in Europe, Africa, Australia, New Zealand, India, China, Japan, Straits Settlements, and in South America at Buenos Ayres, from which we are daily receiving cabled orders for stock replacements.

There remains, however, a market in which the scope for development offers possibilities as great as, if not greater than, the whole of the markets which I have already enumerated. I refer to the United States of America, and as you will have seen from our report, we have now purchased the entire capital stock of the Crittall Casement Window Company of Detroit, a manufacturing company in which previously our interest was only on a royalty basis which would have expired next year. This is a well-established company, which produces what is readily acknowledged to be the finest casement window in the world, consequently it enjoys an unrivalled reputation, and we shall continue to extend this manufacturing business.

#### DEVELOPMENTS IN THE U.S.A.

We have also purchased the share capital of the Standard Steel Window Co. of Washington, D.C., and our plan is to utilise the established sales and distributing organisations, which cover the whole of the U.S.A., of both of these companies for the sale of our standard products.

Already we have laid down large stocks at New York, Chicago, Detroit, Los Angeles and Washington; further depots will shortly be added. I cannot too strongly emphasise the importance of this new outlet for our windows. The market is enormous, and the fact that we commence business with established connections, which could only have been built up at much cost and delay, is in itself a good augury for success in this most promising field.

For the furtherance of all these develop-

ments, the 165,000 Ordinary shares and £750,000 6 per Cent. Notes previously mentioned, also the balance of the unissued £150,000 Debenture stock, 100,000 Preference shares, and 50,000 Ordinary shares, have been issued.

I have dealt fully but, I hope, not too tediously, with our general plan of development, and I trust that from the information I have given, I have not failed to convey to you that the main object underlying our plans has been the creation of a structure which will ensure a continuous absorption of Crittall products immune from temporary depression in any one particular centre. (Hear, hear.)

You will, I have no doubt, appreciate that to give effect to a comprehensive programme of this nature, considerable capital expenditure is involved, and that the benefit to be derived therefrom in the form of increasing revenue can only accrue as the machinery created generates the full power of which it is capable.

#### CURRENT SALES 50 PER CENT. UP.

I am pleased to be able to tell you that during the three months since the closing of the accounts, our sales have increased by over 50 per cent., compared with the corresponding period of last year. (Applause.)

I feel sure you will be interested to know that from my personal visits to every territory in which we are establishing ourselves, I have obtained convincing evidence of the desire to purchase Crittall products. From this you will readily appreciate that in entering these virgin fields, we are opening up markets of infinite possibilities.

In viewing the future of our company with confidence, it is my very pleasant duty to inform you of the great extent to which we are indebted to our staff and employees for this promising condition. It goes without saying that it is only because of the loyal and efficient service which they unceasingly render that we have achieved the measure of success which I have outlined to you to-day, and it is on the continuance of their support that we rely for the successful prosecution of our further plans of development. (Applause.)

The Chairman concluded by moving the adoption of the directors' report and statement of accounts, which was seconded by Mr. V. G. Crittall (managing director), and, after a few questions had been replied to, was put to the meeting and carried unanimously.

The Chairman then moved "That a dividend of 3s. 3d. per share, making, with the interim dividend of 6d. per share declared on the 22nd February last, a dividend of 3s. 9d. per share, be and the same is hereby declared on the 825,000 Ordinary shares of the company numbered 250,001 to 650,000 and 900,001 to 1,325,000, payable (less income-tax) to the holders of those shares appearing on the register as on to-day's date."

The resolution was seconded by Mr. V. G. Crittall and unanimously adopted.

Mr. W. F. Crittall and Mr. E. H. Runnacles were re-elected directors; Messrs. Kemp, Charteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake were reappointed auditors; and the proceedings terminated with a hearty vote of thanks to chairman and directors.



The Times (London)  
Nr. 45076

**CRITTALL  
MANUFACTURING COMPANY.**

**SUCCESSFUL YEAR'S  
OPERATIONS.**

**COMPREHENSIVE  
DEVELOPMENT PROGRAMME.**

**EXPANSION AT HOME AND  
ABROAD.**

**INCREASED SALES IN  
CURRENT YEAR.**

**MR. F. H. CRITTALL'S SPEECH.**

The FOURTH ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at River Plate House, Finsbury-circus, London, E.C.

Mr. FRANCIS HENRY CRITTALL, J.P. (governing director and chairman), presided.

The CHAIRMAN said that before calling upon the secretary to read the notice he would like, on behalf of all those present, to express their sympathy with the Royal Family in their present trial and their earnest wish that his Majesty the King might soon be fully restored to health. (Hear, hear.)

The SECRETARY (Mr. F. G. Rogers) then read the notice convening the meeting and the report of the auditors.

The CHAIRMAN, who was received with cheers, said:—Ladies and gentlemen,—I assume it is your wish that the report and accounts, which have been duly circulated, should be taken as read. (Agreed.)

I ask you, therefore, to turn with me to the balance-sheet whilst I deal with the items which call for comment. On the liabilities side you will notice that our share capital, as compared with last year's balance-sheet, has been increased by the issue to shareholders in October, 1927, of 165,000 Ordinary shares of £1 each, the company receiving payment in November, 1927.

There was also issued in August last, just prior to the closing of the accounts, £750,000 Six per Cent. Five-Year Notes. The reasons for these increases I shall deal with in my later remarks.

The item of unclaimed dividends calls for no comment, whilst sundry creditors and credit balances, as compared with May, 1927, show a decrease of approximately £60,000.

Share premium account, £247,500, representing the premium of £1 10s. per share on 165,000 Ordinary shares, has, you will observe, been reduced to £90,170 16s. 5d., which latter sum constitutes a reserve additional to the existing general reserve of £100,000.

**FACTORY IMPROVEMENTS.**

The first two charges against the item of £247,500—namely, new issue expenses £11,083 13s. 7d., and discount on issue of notes £26,250—are items which you will agree with me should be dealt with summarily in any balance-sheet, and I now come to the deduction of £119,995 10s., being expenditure for 15 months to August 31, 1928, arising out of the rearrangement of the company's works and plant.

The principal items in this expenditure were incurred in our largest and oldest factory at Braintree and in starting up a new forging plant in connexion with our Silver End Works. Taking as a pattern our factories at Witham and Maldon, which were built exclusively for standardized production, we have in the period under review carried through at Braintree a complete reorganization of method, whereby our capacity for custom-made windows has been more than doubled, and with the factory running at this increased capacity, as it is now doing, we estimate that we are saving annually in cost of production at least one-half of the capital cost incurred. (Hear, hear.) At the same time, we embarked on a process of bronze forging at our new factory at Silver End, so that our standardized casements are now supplied with bronze hardware manufactured by ourselves, at no greater cost than the iron fittings which we previously purchased. I am glad to say that this improvement has stimulated in a marked degree the demand for this type of window.

We have written off this expenditure in order that our fixed assets may remain at a figure which we know to be well below their actual replacement value, and I think you will agree with me that this money has been well spent, and that our balance-sheet position has been materially strengthened by the course we have adopted.

**ASSETS.**

I propose to deal with the profit and loss account, after I have made reference to the assets side of the balance-sheet. The first item of assets is that of freehold lands and buildings, which you will see shows that against last year this figure has been increased by £87,282 1s. 1d., whilst fixed plant and machinery, loose tools, &c., show an increase of £126,604 2s. 11d.

Our stocks of manufactured goods and raw materials at £495,831 9s. 3d. show an increase over last year of £141,019 4s. 6d. This increase is perfectly natural in relation to the volume of trade we are doing and is necessary in order to ensure prompt supplies to our consumers.

Whilst holdings in and amounts due by subsidiary and associated companies show an apparent decrease as compared with last year, due to the change in presentation of our accounts, there is actually an increase under this heading of approximately £145,000. Our interest in the Silver End Development Company, dealt with separately on this occasion, has been increased by approximately £200,000 to £378,273 1s., and I will make subsequent

reference to this integral part of our organization.

The small item of our investment in War Loan is a necessary outcome of the terms of the trust deed for the Debenture stock.

It is satisfactory to note that in spite of our increased trade sundry debtors as compared with last year show only a moderate increase of £21,995 3s. 0d.

Cash in hand shows a very substantial increase, which can be partly accounted for by the fact that the issue of notes was made at the time I have stated.

**SUBSTANTIAL ADVANCE IN PROFITS.**

In turning now to profit and loss account, you will notice that the profit obtained for the 15 months to the closing of the accounts at August 31, 1928, was £260,455 3s. 9d., equivalent to £208,000 per annum, which shows a very substantial increase over the figure of £163,285 11s. 10d. for last year. With this result we are well satisfied, especially in view of the fact that our earnings were temporarily affected by the reduction in the Government housing subsidy, which for about five months caused serious dislocation in the building trade. You will be glad to know we have fully recovered from this position, and that our sales at home are now higher than at any period of our trading. (Hear, hear.)

Taking now the figure of £260,455 3s. 9d., you will notice that the items which we have to deduct therefrom, including the payment of an interim dividend of 6d. per share, leave a balance of £176,448 4s. 5d.

From this amount we have to make allowance for the three months' dividend on the Preference shares which accrues from June 1 to August 31—namely, £7,000, whilst we propose to transfer the sum of £25,349 12s. 1d. to our depreciation reserve, bringing that account up to £75,000.

**THE DIVIDEND.**

I shall put resolutions to you later in relation to the payment of 3s. 3d. per share final dividend on the Ordinary shares, absorbing £134,062 10s., which amount, added to the interim dividend, makes a total distribution at the same rate as last year.

These three amounts having been deducted from the item of £176,448 4s. 5d. leave a balance to be carried forward to next year of £10,036 2s. 4d.

This, I think, deals fully with the balance-sheet, and I now come to the general affairs of the company, for I am quite sure that, as shareholders, your chief desire is to hear

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not only that we are soundly established, but that the business we have built up and the assets we have accumulated are such as to ensure increasing revenue for the future. (Hear, hear.)

#### CONTINUOUSLY INCREASING DEMAND.

That our company is well established is demonstrated by the fact that the demand for our products both at home and abroad is on a continuously increasing scale. This has to a large extent been brought about by our efficient sales and distribution organization, which has called for the speeding up of the output from our factories, the capacity of which has been more than quadrupled since the inception of the company in 1924. (Hear, hear.)

As regards our assets, we are possessed to-day of practically new buildings, plant, and machinery, built and equipped to produce the most efficient results, on which every £1 has been expended with a view to producing revenue. Especially is this the case in regard to Silver End, which is becoming a township, housing increasing numbers of our staff and employees, for, as I explained to you last year, the continued progress of your company is almost entirely dependent on the provision of suitable housing accommodation in close proximity to our factories. It will interest you to know that apart from the necessity for this estate it is already more than self-supporting, and surplus revenue from it is accruing to your company. (Hear, hear.)

Now, in regard to the prospect of increased earnings, you will appreciate that in a manufacturing company such as ours, revenue must be preceded by capital outlay, and, as I have previously said, every £1 so far expended has been laid out with a view to future productivity.

In this connexion I would remind you that during the last four years we have been engaged on a programme of expansion intended to embrace the markets of the world.

#### HOME SUPPLIES OF RAW MATERIALS.

As part of this programme and since our last annual meeting, we have taken an interest on very favourable terms in the Darlington Rolling Mills, by which action we are bringing under our own control the supply of our essential raw materials on a profitable basis.

Our investment in this direction is already providing us with a supply of British material fully equal in quality to Continental rolling, and when the new mill now being erected is complete, Darlington will be the most up-to-date light mill in the British Isles and one of our soundest investments. (Cheers.)

From our report you will see that we have also taken an interest in a manufacturing plant at Düsseldorf, Germany. This consists of a 50 per cent. interest in the Penestra Crittall A.G. (the largest window factory on the Continent), which has been acquired for the specific purpose of gaining access for Crittall products in the Latin countries and to provide the most effective channel through which to enter the South American markets.

#### WORLD-WIDE RANGE OF DISTRIBUTION.

In previous years I have indicated to you the success which has attended that essential part of our company's sales policy by which we distribute our products from depôts, where stocks of windows ready to use are at the immediate disposal of builders.

In Great Britain one-half of our total output is distributed through this system of depôts, and our aim has always been to carry stocks of Crittall windows throughout the world. You will better appreciate the comprehensiveness with which we are dealing with this policy when I tell you that we have already established ourselves at important points of vantage from which our trade can radiate in Europe, Africa, Australia, New Zealand, India, China, Japan, Straits Settlements, and in South America at Buenos Aires, from which we are daily receiving cabled orders for stock replacements.

#### DEVELOPMENTS IN THE UNITED STATES.

There remains, however, a market in which the scope for development offers possibilities as great as, if not greater than, the whole of the markets which I have already enumerated. I refer to the United States of America, and as you will have seen from our report we have now purchased the entire capital stock of the Crittall Casement Window Company

of Detroit, a manufacturing company in which previously our interest was only on a royalty basis which would have expired next year. This is a well-established company, which produces what is readily acknowledged to be the finest casement window in the world, consequently it enjoys an unrivalled reputation, and we shall continue to extend this manufacturing business. (Hear, hear.)

We have also purchased the share capital of the Standard Steel Window Company of Washington, D.C., and our plan is to utilize the established sales and distributing organizations, which cover the whole of the U.S.A., of both of these companies for the sale of our standard products.

#### LARGE STOCKS LAID DOWN.

Already we have laid down large stocks at New York, Chicago, Detroit, Los Angeles, and Washington; further depôts will shortly be added. I cannot too strongly emphasize the importance of this new outlet for our windows. The market is enormous, and the fact that we commence business with established connexions, which could only have been built up at much cost and delay, is in itself a good augury for success in this most promising field.

For the furtherance of all these developments, the 165,000 Ordinary shares and £750,000 Six per Cent. Notes previously mentioned, also the balance of the unissued £150,000 Debenture stock, 100,000 Preference shares, and 50,000 Ordinary shares, have been issued.

I have dealt fully, but I hope not too tediously, with our general plan of development, and I trust that from the information I have given I have not failed to convey to you that the main object underlying our plans has been the creation of a structure which will ensure a continuous absorption of Crittall products immune from temporary depression in any one particular centre. (Hear, hear.)

You will, I have no doubt, appreciate that to give effect to a comprehensive programme of this nature considerable capital expenditure is involved, and that the benefit to be derived therefrom in the form of increasing revenue can only accrue as the machinery created generates the full power of which it is capable.

#### PROGRESS IN CURRENT YEAR.

I am pleased to be able to tell you that during the three months since the closing of the accounts our sales have increased by over 50 per cent., compared with the corresponding period of last year. (Cheers.)

I feel sure you will be interested to know that from my personal visits to every territory in which we are establishing ourselves I have obtained convincing evidence of the desire to purchase Crittall products. From this you will readily appreciate that in entering these virgin fields we are opening up markets of infinite possibilities.

In viewing the future of our company with confidence it is my very pleasant duty to inform you of the great extent to which we are indebted to our staff and employees for this promising condition. It goes without saying that it is only because of the loyal and efficient service which they unceasingly render that we have achieved the measure of success which I have outlined to you to-day, and it is on the continuance of their support that we rely for the successful prosecution of our further plans of development. (Cheers.)

The CHAIRMAN concluded by moving the adoption of the directors' report and statement of accounts.

Mr. V. G. CRITTALL (managing director) seconded the motion, which, after a few questions had been replied to, was carried unanimously.

The CHAIRMAN then moved "That a dividend of 3s. 3d. per share, making, with the interim dividend of 6d. per share declared on February 22 last, a dividend of 3s. 9d. per share, be and the same is hereby declared on the 825,000 Ordinary shares of the company numbered 250,001 to 650,000 and 900,001 to 1,325,000, payable (less income-tax) to the holders of those shares appearing on the register as on to-day's date."

The resolution was seconded by Mr. V. G. CRITTALL and unanimously adopted.

Mr. W. F. Crittall and Mr. E. H. Runnacles were re-elected directors; Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake were reappointed auditors, and the proceedings terminated with a hearty vote of thanks to chairman and directors.



# The Financial News (London)

No 13634

Series 2—No. 1.

The Crittall Manufacturing Co. became a public company in October, 1924. Its business was founded thirty-five years before, in 1889, by the present governing director, Mr. F. H. Crittall, who, starting with a small output, built up the business till in 1924 it was employing over 1,600 workers. The company manufactures metal windows, doors, ornamental bronzes, &c. An example of its work is the bronze doors of the L.C.C. Hall at Westminster.

## CAPITAL EXPANSION.

The public company was founded with an authorised capital of £450,000, of which there was offered at the initial issue £201,050 in 8 per Cent. Cum. Participating Pref. shares, of £1 and £176,650 in Ordinary shares of £1. Of this issue 61,050 Pref. shares and 176,650 Ord. shares were allotted, fully paid, to the vendors as purchase price. The company's capital is now:—

Authorised.	Issued.
£1,000,000 in Ord. shares of £1 .....	£825,000
500,000 in 7% Cum. Pref. shares of £1 ..	400,000
£1,500,000	£1,225,000

There has, therefore, been considerable expansion since the company's first issue. In September, 1925, the authorised capital was raised from £450,000 to £900,000 by the creation of 250,000 Pref. shares and of 200,000 Ordinary shares. In September, 1926, the capital was rearranged and increased to its present authorised amount. At the same time there was created £500,000 of 6 per Cent. Debenture stock, redeemable by four equal annual drawings at 102 per cent. on June 1, 1947-48-49-50, or on six months' notice at any time before December 1, 1946, at 105 per cent., or by purchase at or under 105 per cent. The rearrangement was as follows: The then existing 500,000 8 per Cent. Participating Pref. shares of £1 were from June 1, 1926, converted into £150,000 6 per Cent. Debenture stock, £200,000 7 per Cent. Cum. Pref. shares (of £1), and £150,000 Ordinary shares—i.e., for every 10 8 per Cent. Participating Pref. shares the holder received £3 Debenture stock, £4 7 per Cent. Cum. Pref. shares, and £3 Ordinary shares; in addition, he received the right to subscribe for one Ordinary share at 25s. for every two Pref. shares held.

In May, 1927, the Ordinary capital was further increased by the private sale of 60,000 shares, and in October, 1927, by the issue at 30s. premium of 165,000 shares. Besides the share capital there is now loan capital of

Authorised.	Issued and outstanding.
£500,000 8% Red. Deb. stk. (J1 D1) ..	£350,000
750,000 6% 5-year Regd. Notes (M1 S1) ..	750,000

## EARNINGS.

The expansion of the company's capital is one sign of the progress it has made. Another is the dividends which have been paid on this expanding capital, which have been

Year.	Ord. div.
1924-25 .....	10
1925-26 .....	15
1926-27 .....	15
1927-28 (15 months) .....	18% (i.e. = 15% p.a.)

A more detailed analysis of earnings follows, in which the effect of the rapid capital expansion must be kept in mind.

sion must be kept in mind.

Year ending	15 mths. to			
May 31.	Aug. 31			
1925.	1928.			
£	£			
Pref. cap. ....	*250,000 ..	*500,000 ..	200,000 ..	400,000
Ord. cap. ....	177,868 ..	200,000 ..	600,000 ..	825,000
G. prof. ....	70,163 ..	114,085 ..	163,286 ..	260,445
Net ..	58,076 ..	102,577 ..	141,877 ..	205,799
Pref. div. ....	18,194 ..	42,521 ..	14,000 ..	35,000
Times earned.	3.2	2.4	10	5.9
Erd. on Ord. ..	39,880 ..	60,056 ..	127,877 ..	170,799
= % ..	22.4	20	21.3	20.7
Ord. div. ....	10% ..	15% ..	15% ..	18%
To res. ....	15,714 ..	140,000 ..	895,000 ..	25,350
Brought in ..	—	6,381 ..	15,356 ..	19,274
Carried forward.	6,381 ..	15,356 ..	29,274 ..	10,036

\* In old 8% Participating Preference shares.  
† Including £25,000 share premium revenue, but excluding £6,081 written off preliminary expenses.  
‡ Including £32,459 share premium revenue net less preliminary expenses written off.

The company has steadily increased its earnings. For the sake of comparison it may be added that the fifteen months' gross and net profits shown above are equal to about £210,000 per annum and £165,000 per annum respectively. The rate of earnings on the Ordinary capital shown for 1928 is also for fifteen months, but, being comparable with the fifteen-month dividend shown next below it, has not been corrected to a twelve-month rate. It will be seen that the amount brought in for 1928 is £10,000 less than the amount carried forward from 1927. This is due to an allocation of £10,000 having been made during 1927 to a newly-created employees' fund.

## BALANCE-SHEET STATISTICS.

In the next table there are analysed the four balance-sheets which have been issued by the company since its formation.

	May 31.	1925.	1926.	1927.	Aug. 31 1928.
Share cap. ....	427,868 ..	700,000 ..	1,060,000 ..	1,225,000	1,225,000
Loan cap. ....	—	—	350,000 ..	1,100,000	1,100,000
Creditors .....	*209,162 ..	†184,510 ..	164,920 ..	103,786	103,786
Reserves .....	1,436 ..	39,650 ..	125,691 ..	239,821	239,821
Property .....	206,799 ..	288,742 ..	530,139 ..	617,421	617,421
Plant .....	180,025 ..	267,365 ..	397,366 ..	523,970	523,970
Stock .....	162,076 ..	260,668 ..	354,362 ..	495,831	495,831
Trade investments.	46,570 ..	61,234 ..	311,175 ..	467,003	467,003
Debtors .....	68,038 ..	88,309 ..	189,701 ..	191,696	191,696
Cash .....	22,232 ..	22,197 ..	92,662 ..	351,506	351,506
Bal. sheet total	693,290 ..	1,020,598 ..	1,855,405 ..	2,881,047	2,881,047
Curr't liabilities*	209,103 ..	†184,510 ..	164,921 ..	103,903	103,903
Liquid assets ..	252,346 ..	391,175 ..	616,725 ..	1,039,033	1,039,033

\* Including sundry loans by H.M. Government, &c., £99,387. † Including sundry loans by H.M. Government, &c., £74,857. ‡ Including a loan of £378,273 made to Silver End Development Co.

## PROSPECTS

The statistics which we have already given of the company's earnings and balance-sheets show that although its development has been fast it has not outstripped what is sound. The company has established itself in Europe, Africa, Australia, New Zealand, India, China, Japan, Straits Settlements, and in South America at Buenos Ayres. Its most recent expansion, however, has been into the U.S.A., where it has now purchased the entire capital stock of the Crittall Casement Window Co. of Detroit, and the Standard Steel Window Co. of Washington, D.C. There should therefore be ample room for further expansion of business. To supply an expanded demand the company has started to forge its own bronze at Silver End, which makes it possible for the company to produce bronze fittings at a cost no greater than that at which they formerly bought iron fittings from other manufacturers. The company has also acquired an interest in the Darlington Rolling Mills to secure its own supply of raw materials. It seems that the company is now past the early stages of development and should become a sound industrial concern.

The price range for the Ordinary shares has been:—

Year	1925	1926	1927	1928
High	37/6	54/9	65/6	61
Low	26/3	38/3	50/	51/1

The present price is about 50s., at which the Ordinary shares yield about 6 per cent.



The Times (London)

N<sup>o</sup> 45390

CRITTALL  
MANUFACTURING  
COMPANY

THE METAL WINDOW MARKET

PROGRESS IN EVERY  
DIRECTION

DEVELOPMENT OF OVERSEA  
INTERESTS

MR. F. H. CRITTALL ON THE  
OUTLOOK

The FIFTH ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at River Plate House, Finsbury-circus, London, E.C.

Mr. F. H. CRITTALL, J.P. (governing director and chairman of the company) presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen,—The report and accounts having been duly circulated, I will assume it is your wish that they be taken as read. (Agreed.)

Before explaining the accounts, I think it desirable to remind you that they are for the 12 months ending August 31, whereas the accounts presented to you last year were for a period of 15 months. Therefore, in making comparisons, last year's figures, particularly in regard to earnings, should be reduced to a 12 months' basis.

Will you now turn with me to the balance-sheet, which, as you will have noted, is drawn up in accordance with the requirements of the new Companies Act?

BALANCE-SHEET—LIABILITIES SIDE

On the liabilities side you will observe that our issued share capital now totals £1,375,000, while our Debenture loan capital totals £500,000, 50,000 Ordinary and 100,000 Seven per Cent. Preference shares all of £1 each, and £150,000 Debenture stock having been issued for the purposes I explained to you at our last annual meeting.

The items of unclaimed dividends and sundry creditors and credit balances call for no comment, and the same remark applies to the balance of the governing director's loan account, which transaction was for the special purposes of the company, and may be said to be of a non-recurring nature.

You will also notice that the share premium

account has been increased to £168,947 17s. 3d., which sum and the balance to the credit of profit and loss account I will deal with when submitting for your approval the appropriations referred to in the directors' report.

THE ASSETS

Turning to the assets side of the balance-sheet, you will see that a small addition has been made to the item of freehold land and buildings, and that plant and machinery have increased by £104,274 0s. 10d. Our stocks of manufactured and partly manufactured goods, &c., show an increase which is commensurate with our increased trading.

The next five items, which total £710,144, are shown separately in accordance with the provisions of the Companies Act and compare with last year's total of £292,230 3s. 5d. Holdings in subsidiary companies and letters patent and expenditure in connexion with royalty agreements, I should point out, are included at their cost value. The item of £144,153 4s. due by subsidiary companies represents ordinary trading balances.

The loan to the Silver End Development Company now amounts to £456,772 11s. 7d., practically all of which amount is invested in factories, property and houses, &c., for the advantage of the company and its employees, and which shows an increase over last year's figure of £78,499 10s. 7d. This item may in due course be dealt with through a capital issue in some form or another, the present moment not being an advantageous one for such a course to be adopted.

The items of sundry debtors and debit balances and loans to employees call for no comment, beyond the fact that the former includes full provision for doubtful debts. Cash in hand and at banks is £27,692 16s. 11d.

RESULT OF THE YEAR'S OPERATIONS

Turning to page 2 of the report you will find that the result of the past year's trading is a total profit of £240,651 14s. 8d., which compares with £260,455 3s. 9d. for the 15 months to August 31, 1928, equivalent to £208,364 3s. for 12 months, giving an actual increased profit for the 12 months period of £32,287 11s. 8d.

Taking the figure of £240,651 14s. 8d. and adding £10,036 2s. 4d., the balance brought forward from last year, there is a sum of £250,687 17s. After various deductions, including the interim dividend of 6d. per share on the Ordinary shares, the details of which you will find in the profit and loss appropriation account on page 6 of the report in your hands, there remains £111,803 8s. 10d., to which is added the balance of share premium account, £168,947 17s. 3d., giving a total avail-

able for appropriation of £280,751 6s. 1d.

With your sanction, which will be asked for later, it is proposed that £150,000 be transferred to general reserve, making that account up to £250,000, and that the depreciation reserve be brought up to £125,000 by the transfer of £50,000, which amount includes the substantial sum of £31,052 2s. 9d. out of this year's profit.

In view of the fact that we are constantly spending considerable sums out of revenue on our plant and machinery, in order to maintain them in the highest state of efficiency, we look upon this depreciation reserve as being in the nature of a real capital reserve rather than necessary provision for wear and tear and obsolescence.

THE DIVIDEND

The sum of £8,750 is required to make the usual provision for the Preference share dividend to the end of our financial year, and lastly we recommend the payment of a final dividend on the Ordinary shares at the rate of 7½ per cent., which with the interim payment of 2½ per cent. will make a total distribution for the year of 10 per cent. (Hear, hear.) This final dividend requires £65,625, leaving a balance to be carried forward of £6,376 6s. 1d.

With regard to the alteration in the rate of dividend to be paid on the Ordinary share capital this year, I want at once to assure you that this must not be taken as indicating any lack of progress on the part of your company, for, as I am quite sure I shall be able to satisfy you, the facts are to the contrary. (Hear, hear.)

GERMAN AND AMERICAN INTERESTS

You are, of course, aware, and the balance-sheet before you shows, that during the past year we have made considerable additions to our interests overseas in Germany and the United States of America, and we have also expended further sums at home on the Darrington Rolling Mills.

The whole of the capital thus invested ranks for interest and dividends in the accounts before you, but we have considered it not only prudent but advisable to retain in these fresh interests the profits earned by them, in order to promote their obvious possibilities of expansion, and also to place them from the commencement in a sound financial position.

This additional revenue, therefore, is not available for dividend purposes, but I have not the least hesitation in saying that the course we have adopted is in the best interests of the company, and will prove to be to the ultimate and lasting benefit of shareholders. (Hear, hear.) You will all, I am sure, appreciate the fact that the more we can create and extend productive assets out of earnings the greater will be the benefits we shall reap from them in the years to come.

FEATURES OF THE YEAR'S WORKING

In regard to the general affairs of your company, I am pleased to be able to tell you that the past year has been one of progress in every direction, and we have been at pains to consolidate our position. Our factories in the United States and in Germany, both of which were going concerns when we acquired them, have during the past year undergone drastic reorganization as to both methods of

Wenden!



production and design of product to the end that they can now be regarded as thoroughly efficient units.

The sales side of the business in these two countries has also received very close attention, and we look forward with confidence to the same success for the German and American factories as we have achieved at home, at the same time finding a very considerable outlet in these markets for the products of the home factory.

At Darlington, we have just completed the installation of the most modern light rolling mill in Great Britain. We are now assured of supplies of raw material of the highest quality, and our own requirements are sufficient to guarantee the economic and profitable working of the mill. We are now marketing a window made of British steel with the added attraction of receiving a profit on our own raw material.

We have erected a number of additional dwellings on our housing estate at Silver End, where, as most of you probably know, we have the factory which supplies the whole of the fittings for our windows, and where large numbers of our workpeople live within convenient reach of their employment and under conditions which it would be impossible for them to enjoy had we not provided the necessary accommodation for them. Apart from the fact that all houses are let at economic rentals, and that the estate is fully self-supporting, we are amply repaid for this investment by the increased efficiency of our workpeople. (Hear, hear.)

#### AN EVERY-DAY NECESSITY

We are engaged in the world-wide manufacture and sale of an indispensable every-day necessity—windows. The only limit to our business is our capacity to convert users of wooden windows to the use of metal ones. To a greater or lesser degree all over the world, natural forces are on our side. In tropical countries where the white ant makes short work of a wooden window, we have an immense future. Wherever there are severe conditions of rain and cold, the superior weather-tight qualities of a good steel window give us a definite preference.

Our organization is well equipped to reap the full benefit of these advantages. Besides the most modern equipment for making the window, we control our raw material supply, we make our own fittings, we distribute our product through our own depôts throughout the world. Our sales organization is a recognized model of efficient marketing, and last—but not least—we “service” our products wherever they may be, so that often against lower prices we get a preference over other makers. “Crittalls are behind everything they make.”

#### QUESTION OF PRICE-CUTTING

There are other metal window makers, and in so far as they make good windows they are our allies in bringing about a universal use of metal windows. There has been recent mention of price-cutting. That there is a free market for metal windows is, in my opinion,

a healthy thing. Certain it is that our output would never have reached its present volume had there been any sort of price control in force.

I would also remind you that price-cutting is a relative term; what may leave one manufacturer with a bare and chilly feeling may provide warmth and comfort to another. It must be largely a question of workshop efficiency and of volume of output, and, although it has not been our policy to advertise specific contracts, it will interest you to know that our home produce is more than double the tonnage of all other manufacturers combined. (Cheers.)

We rightly hear and read a good deal these days as to the necessity for British industry to render itself more efficient if it is to regain its position in the world's markets. You need have no fear for your company on that score. Fortunately we are entirely free from the hampering effects of tradition and out-of-date manufacturing methods; our whole organization has been built up to meet modern requirements, and it will, of course, be extended in the same manner.

#### CONFIDENCE IN THE FUTURE

We are to-day more firmly established in the markets of the world than at any time, and our continued progress depends not on any speculative demand for our products that may arise, but in the prosecution of those methods of manufacture and distribution which have brought us to the leading position which we now enjoy.

I hope I have transmitted to you some of the enthusiasm and confidence in the future of our business which I feel myself, and which is shared by all my co-directors. We feel that, despite the rapid and continuous progress made by this company since its incorporation in 1924, we are even now only on the threshold of a successful future, and that, satisfactory as they have been, past results of your company cannot be taken as a measure of its future prospects.

I should like to say a few words in appreciation of the splendid work of our staff at home and overseas. Without their loyal co-operation and hard work we could not have obtained these very excellent results. (Cheers.)

I now beg to move:—“That the directors' report and statement of accounts for the year ended August 31, 1929, now submitted to this meeting, be and the same are hereby received and adopted.”

Mr. V. G. CRITTALL, J.P. (managing director), seconded the resolution, and, after the chairman had replied to some questions, it was carried unanimously.

#### DIVIDEND RESOLUTION

The CHAIRMAN next proposed:—“That a dividend of  $7\frac{1}{2}$  per cent., making (with the interim dividend of  $2\frac{1}{2}$  per cent. declared on February 20 last) a dividend of 10 per cent. for the year ended August 31, 1929, be and the same is hereby declared on the 875,000 Ordinary shares of the company numbered 250,001 to 650,000 and 900,001 to 1,375,000, payable (less income-tax) to the holders of those shares appearing on the register as on to-day's date.”

This resolution was also seconded by Mr. V. G. CRITTALL and unanimously approved.

The retiring directors, Mr. W. C. C. Bywater and Mr. F. P. Walker, were re-elected; the auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co., and Messrs. Luckin and Shel-drake, were reappointed; and the proceedings terminated with a cordial vote of thanks to the chairman.



The Financial News (London)

18901

CRITTALL MANUFACTURING CO.

Progress in All Directions.

GERMAN & AMERICAN INTERESTS

Mr. F. H. Crittall's Review.

The fifth ordinary general meeting of Crittall Manufacturing Co., Ltd., was held yesterday at River Plate House, Finsbury-circus, London, E.C., Mr. F. H. Crittall, J.P. (governing director and chairman of the company), presiding.

The secretary (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen, the report and accounts having been duly circulated, I will assume it is your wish that they be taken as read. Before explaining the accounts, I think it desirable to remind you that they are for the twelve months ending August 31st, where the accounts presented to you last year were for a period of fifteen months—therefore, in making comparisons, last year's figures, particularly in regard to earnings, should be reduced to a twelve months' basis.

Will you now turn with me to the balance-sheet, which, as you will have noted, is drawn up in accordance with the requirements of the new Companies Act. On the liabilities side you will observe that our issued share capital now totals £1,375,000, while our Debenture loan capital totals £500,000, 50,000 Ordinary and 100,000 7 per Cent. Preference shares, all of £1 each, and £150,000 Debenture stock having been issued for the purposes I explained to you at our last annual meeting.

The items of unclaimed dividends and sundry creditors and credit balances call for no comment, and the same remark applies to the balance of the governing director's loan account, which transaction was for the special purposes of the company, and may be said to be of a non-recurring nature.

You will also notice that the share premium account has been increased to £168,947 17s. 3d., which sum and the balance to the credit of profit and loss account, I will deal with when submitting for your approval the appropriations referred to in the directors' report.

THE ASSETS.

Turning to the assets side of the balance-sheet, you will see that a small addition has been made to the item of freehold land and buildings, and that plant and machinery have increased by £104,274 6s. 10d. Our stocks of manufactured and partly manufactured goods, &c., show an increase which is commensurate with our increased trading.

The next five items, which total £710,144, are shown separately in accordance with the provisions of the Companies Act and compare with last year's total of £292,230 3s. 5d. Holdings in subsidiary companies and letters patent and expenditure in connection with royalty agreements, I should point out, are included at their cost value. The item of £144,153 4s., due by subsidiary companies, represents ordinary trading balances.

The loan to the Silver End Development Company now amounts to £456,772 11s. 7d., practically all of which amount is invested in factories, property and houses, &c., for the advantage of the company and its employees, and which shows an increase over last year's figure of £78,499 10s. 7d. This item may in due course be dealt with through a capital issue in some form or another, the present moment not being an advantageous one for such a course to be adopted.

The items of sundry debtors and debit balances, and loans to employees call for no comment beyond the fact that the former includes full provision for doubtful debts. Cash in hand and at banks is £27,692 16s. 11d.

TRADING RESULTS.

Turning to page 2 of the report, you will find that the result of the past year's trading is a total profit of £240,651 14s. 8d., which compares with £260,455 3s. 9d. for the 15 months to 31st August, 1928, equivalent to £208,364 3s. for 12 months, giving an actual increased profit for the 12 months period of £32,287 11s. 8d.

Taking the figure of £240,651 14s. 8d., and adding £10,036 2s. 4d., the balance brought forward from last year, there is a sum of £250,687 17s. After various deductions, including the interim dividend of 6d. per share on the Ordinary shares, the details of which you will find in the profit and loss appropriation account on page 6 of the report in your hands, there remains £111,803 8s. 10d., to which is added the balance of share premium account £168,947 17s. 3d., giving a total available for appropriation of £280,751 6s. 1d.

With your sanction, which will be asked for later, it is proposed that £150,000 be transferred to general reserve, making that account up to £250,000, and that the depreciation reserve be brought up to £125,000 by the transfer of £50,000, which amount includes the substantial sum of £31,052 2s. 9d. out of this year's profit.

In view of the fact that we are constantly spending considerable sums out of revenue on our plant and machinery in order to maintain them in the highest state of efficiency, we look upon this depreciation reserve as being in the nature of a real capital reserve rather than necessary provision for wear and tear and obsolescence.

The sum of £8,750 is required to make the usual provision for the Preference share dividend to the end of our financial year, and lastly we recommend the payment of a final dividend on the Ordinary shares at the rate of  $\frac{7}{8}$  per cent., which, with the interim payment of  $\frac{2}{4}$  per cent., will make a total distribution for the year of 10 per cent. This final dividend requires £65,625, leaving a balance to be carried forward of £6,376 6s. 1d.

With regard to the alteration in the rate of dividend to be paid on the Ordinary share capital this year, I want at once to assure you that this must not be taken as indicating any lack of progress on the part of your company, for, as I am quite sure I shall be able to satisfy you, the facts are to the contrary.

ADDITIONS TO OVERSEAS INTERESTS.

You are, of course, aware, and the balance-sheet before you shows, that

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during the past year we have made considerable additions to our interests overseas in Germany and the United States of America, and we have also expended further sums at home on the Darlington rolling mills. The whole of the capital thus invested ranks for interest and dividends in the accounts before you, but we have considered it not only prudent, but advisable, to retain in these fresh interests the profits earned by them, in order to promote their obvious possibilities of expansion, and also to place them from the commencement in a sound financial position.

This additional revenue, therefore, is not available for dividend purposes, but I have not the least hesitation in saying that the course we have adopted is in the best interests of the company, and will prove to

be to the ultimate and lasting benefit of shareholders. You will all, I am sure, appreciate the fact that the more we can create and extend productive assets out of earnings, the greater will be the benefits we shall reap from them in the years to come.

#### A YEAR OF PROGRESS.

In regard to the general affairs of your company, I am pleased to be able to tell you that the past year has been one of progress in every direction, and we have been at pains to consolidate our position. Our factories in the United States and in Germany, both of which were going concerns when we acquired them, have during the past year undergone drastic reorganisation both as to methods of production and design of product to the end that they can now be regarded as thoroughly efficient units.

The sales side of the business in these two countries has also received very close attention, and we look forward with confidence to the same success for the German and American factories as we have achieved at home—at the same time finding a very considerable outlet in these markets for the products of the home factory.

At Darlington we have just completed the installation of the most modern light rolling mill in Great Britain. We are now assured of supplies of raw material of the highest quality, and our own requirements are sufficient to guarantee the economic and profitable working of the mill. We are now marketing a window made of British steel with the added attraction of receiving a profit on our own raw material.

We have erected a number of additional dwellings on our housing estate at Silver End where, as most of you probably know, we have the factory which supplies the whole of the fittings for our windows, and where large numbers of our workpeople live within convenient reach of their employment and under conditions which it would be impossible for them to enjoy had we not provided the necessary accommodation for them.

Apart from the fact that all houses are let at economic rentals, and that the estate is fully self-supporting, we are amply repaid for this investment by the increased efficiency of our workpeople. We are engaged in the world-wide manufacture and sale of an indispensable everyday necessity—windows. The only limit to our business is our capacity to convert users of wooden windows to the use of metal ones.

#### BENEFITS OF "CRITTALL" WINDOWS.

To a greater or lesser degree all over the world, natural forces are on our side. In tropical countries where the white ant makes short work of a wooden window, we have an immense future. Wherever there are severe conditions of rain and cold, the superior weathertight qualities of a good steel window give us a definite preference.

Our organisation is well equipped to reap the full benefit of these advantages. Besides the most modern equipment for making the window, we control our raw material supply, we make our own fittings, we distribute our product through our own depots throughout the world.

Our sales organisation is a recognised model of efficient marketing, and last—but not least—we service our products wherever they may be, so that often against lower prices we get a preference over other makers—"Crittalls are behind everything they make." There are other metal window makers, and in so far as they make good windows, they are our allies in bringing about a universal use of metal windows.

There has been recent mention of price-cutting. That there is a free market for metal windows is, in my opinion, a healthy thing. Certain it is that our output would never have reached its present volume had there been any sort of price control in force. I would also remind you that price-cutting is a relative term—what may leave one manufacturer with a bare and chilly feeling, may provide warmth and comfort to another.

It must be largely a question of workshop efficiency and of volume of output, and although it has not been our policy to advertise specific contracts, it will interest you to know that our home produce is more than double the tonnage of all other manufacturers combined.

#### WORLD-WIDE ORGANISATION.

We rightly hear and read a good deal these days as to the necessity for British industry to render itself more efficient if it is to regain its position in the world's markets. You need have no fear for your company on that score. Fortunately we are entirely free from the hampering effects of tradition and out-of-date manufacturing methods—our whole organisation has been built up to meet modern requirements, and it will, of course, be extended in the same manner.

We are to-day more firmly established in the markets of the world than at any time, and our continued progress depends not on any speculative demand for our products that may arise, but in the prosecution of those methods of manufacture and distribution, which have brought us to the leading position which we now enjoy.

I hope I have transmitted to you some of the enthusiasm and confidence in the future of our business which I feel myself—and which is shared by all my co-directors. We feel that, despite the rapid and continuous progress made by this company since its incorporation in 1924, we are even now only on the threshold of a successful future, and that, satisfactory as they have been, past results of your company cannot be taken as a measure of its future prospects. I would like to say a few words in appreciation of the splendid work of our staff—at home and overseas. Without their loyal co-operation and hard work we could not have obtained these very excellent results.

I now beg to move: "That the directors' report and statement of accounts for the year ended 31st August, 1929, now submitted to this meeting be and the same are hereby received and adopted."

Mr. V. G. Crittall, J.P. (managing director), seconded the resolution, and, after the Chairman had replied to some questions, it was carried unanimously.

The Chairman next proposed: "That a dividend of  $7\frac{1}{2}$  per cent., making (with the interim dividend of  $2\frac{1}{2}$  per cent. declared on the 20th February last) a dividend of 10 per cent. for the year ended 31st August, 1929, be and the same is hereby declared on the 875,000 Ordinary shares of the company numbered 250,001 to 650,000 and 900,001 to 1,375,000, payable (less income-tax) to the holders of those shares appearing on the register as on to-day's date."

This resolution was also seconded by Mr. V. G. Crittall and unanimously approved.

The retiring directors, Mr. W. C. C. Bywater and Mr. F. P. Walker, were re-elected; the auditors, Messrs. Kemp, Charteris, Nichols, Sendell and Co., and Messrs. Luckin and Sheldrake, were reappointed, and the proceedings terminated with a cordial vote of thanks to the chairman.



Industrie- und Handelszeitung (Berlin)

Nr. 291.

**Großbritannien**

**Abnehmende Gewinne der Crittall Manufacturing Co. — Kleinere Stammdividende**

E. S. N. London, 11. Dezember. — Die Crittall Manufacturing Co., das führende englische Unternehmen der Industrie für Fensterrahmen und Scharniere aus Stahl, hat im Geschäftsjahr bis 31. August 1930 einen Rohgewinn von 0,26 Mill. £ erzielt; dieser liegt um etwa 10.000 £ höher als im Vorjahr und enthält keine Zuweisungen irgendwelcher Art aus Gewinnen der Tochtergesellschaften. Hiernach zu schließen dürfte u. a. der Geschäftsgang bei der Crittall-Fenestra-A.-G., Düsseldorf, nicht befriedigend gewesen sein. Nach Vorwegnahme der höheren Zinsleistungen und 16.576 £ für Versuchsaarbeiten ermäßigt sich der Gewinnüberschuß von 0,11 Mill. £ auf 95.689 £. Diese Ziffer berücksichtigt allerdings Abschreibungen, die nachträglich mit 25.000 £ (i. V. 50.000 £) vorgenommen wurden, noch nicht. Die von 10 % auf 7½ % ermäßigte Stammdividende, die bei 1 Million £ Kapital (i. V. 0,88 Mill. £) diesmal 75.000 £ erheischt, ist also tatsächlich nicht voll verdient worden. Die ordentliche Reserve wird um 20.000 £ (i. V. 0,15 Mill. £) auf 0,27 Mill. £ gestärkt. Unangenehm auffallen muß die Tatsache, daß wiederum Aufgelder aus den vorjährigen Aktienemissionen — diesmal ein Restbetrag von 26.624 £ (i. V. 0,17 Mill. £) — in das Gewinu- und Verlustkonto übernommen werden, während solche Einkünfte der orthodoxen Finanzpraxis gemäß den Reserven zuzuführen wären. Die Leitung teilt mit, daß die Auslandslager stark herabgeschrieben worden sind, was für den verringerten Gewinn mitverantwortlich ist. Die Gesellschaft unterhält bekanntlich bei ihren Auslands-Niederlassungen und Tochtergesellschaften Konsignationslager, die in der Eigenbilanz aktiviert sind. Ob der Posten von 0,58 Mill. £, der sämtliche Lager umfaßt, auch Abschreibungen auf die Binnenbestände berücksichtigt, wird nicht gesagt. Konzernbeteiligungen stehen zum Einstandspreis mit 0,56 Mill. £ zu Buche, wobei zu berücksichtigen ist, daß die ausländischen Unternehmen einstweilen nicht gewinnbringend sind. Forderungen an die Konzerngesellschaften belaufen sich auf 0,79 Mill. £, darunter ein Vorschuß von 0,63 Mill. £ (i. V. 0,46 Mill. £) an die Silver End Development Co. Bei dieser Gesellschaft handelt es sich um eine Villenkolonie für die Arbeiterschaft der englischen Fabriken. Die Forderung an diese, die sich eigentlich nur mittelbar aus der Industriebeteiligung ergibt, stellt heute annähernd die Hälfte des Aktivüberschusses zugunsten des Stammkapitals dar. Außenstände erreichen 0,36 Mill. £, die vorhandenen Barmittel nur 17.357 £. Infolge der Kapitalerhöhung ist die Bilanzsumme von 3,36 Mill. £ auf 3,65 Mill. £ angewachsen. Obwohl die Leitung mitteilt, daß sich das Binnengeschäft günstig entwickelt hat und der Ausbau der Fabriken nunmehr vollendet ist, so daß die Gesellschaft gegen jede Konjunkturbesserung gewappnet ist, muß die Finanzgebarung des Unternehmens etwas sonderbar anmuten. Bei dem allgemeinen Preisabbau ist es fraglich, ob die Häuserkolonie der Gesellschaft heute bereits ihren Verpflichtungen an das Mutterunternehmen gerecht werden könnte, besonders wenn die Geschäftslage eine Verringerung der Belegschaft auf den Werken erheischen sollte. Es unterliegt keinem Zweifel, daß die Leitung günstige Konjunkturiahre zur Aufnahme neuer Mittel verwendet hat, ohne für eine Konsolidierung der Finanzen zu sorgen. In Zeiten, wie den gegenwärtigen, wird eine solche natürlich weit schmerzvoller sein als noch vor zwei Jahren.



The Times (London)

No. 45699

## CRITTALL MANUFACTURING COMPANY

### CONTINUED PROGRESS OF THE BUSINESS

### ORGANIZATION BEING STEADILY BUILT UP

#### SIR VALENTINE CRITTALL'S SPEECH

The SIXTH ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at River Plate House, Pimbury-circus, E.C.

SIR VALENTINE CRITTALL, J.P. (the chairman and one of the managing directors), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen,—Before proceeding with the business for which this meeting has been summoned, I am sure you will allow me to add one word in regard to my father, Mr. F. H. Crittall, whose retirement from the chairmanship of this company is referred to in the directors' report. I need make no mention of my father's life-long association with the metal window industry; he felt, however, that, having established this company on such a firm foundation the world over, it was a fitting moment he should, having reached, as you know, the age of 70 years, seek relief from some of the numerous labours involved in the duties he has up to now performed. We shall continue to enjoy the full advantage of his ripe experience and guidance, and you will be glad to know that at the present time he is on a world tour of inspection of our overseas interests, it being the wish of the directorate that he should do so, and it is for that reason that he is not present with us to-day.

There is another matter to which I must make reference, and that is to the untimely death of our late and valued colleague, Mr. E. H. Runnacles. Mr. Runnacles, who was associated with my father for over 45 years, played an important part in the building up of this business.

#### SATISFACTORY PROFIT

I will now proceed to the business of this meeting, and the directors' report and accounts having been in your hands for some days I will assume it is your wish, as is customary, that they be taken as read.

Your directors have on this occasion included the explanation of the accounts in their report, and we trust you will have found this procedure of greater convenience and assistance to you. Having adopted this method,

there is no need for me to refer again to the accounts in detail. The profit and loss account, however, is one to which you will expect me to make special reference, and I think you will agree with me that the figure of profit of £250,203 19s. 7d. for the past year is, in view of the conditions with which we have had to contend, a highly satisfactory one.

As to the general affairs of your company, I welcome this opportunity of addressing you as your chairman, for as one whose whole life has been devoted to the business of the company, I am perhaps apt to take for granted what competent outside observers regard as a very remarkable organization. With your permission, therefore, I will endeavour to convey to you as briefly and clearly as possible what in my view the Crittall Company really is, and what we intend it shall become.

As many of you are probably aware, we set out originally with the object of converting users of wooden windows to the use of metal, as we realized that the achievement of this object would provide a guarantee of a continuous demand for our products. In order, however, to meet this demand, it was necessary to create a manufacturing, selling, and distributing organization which would produce on an economic and profitable basis adequate supplies of this indispensable commodity. It is on this task that we have been engaged since 1924, and I look upon the past year's results as proof that our work has been well done.

#### HIGHLY EFFICIENT FACTORIES

I can say without the least fear of contradiction that in our factories at Braintree, Witham, Maldon, and Silver End we are possessed of manufacturing units which compare favourably with any plants either in this country or throughout the world. By constant attention to economic principles they have without exception been brought to the highest pitch of technical efficiency, and it is by the expenditure of upwards of £30,000 per annum, referred to in the report, that we maintain them in this condition.

In the building up of the organization which exists to-day, we have, of course, had to overcome various difficulties, and I am quite sure you must all realize as I do, that it is a physical impossibility to obtain during a period of construction the results which are the ultimate object. We have now reached a stage when we can definitely say that, from the point of view of our productive units in this country, our plans are complete, that they are functioning in a manner which accords with our highest expectations, and that their already high efficiency will be further increased as total productive capacity is attained.

#### CONSERVATIVE VALUATION OF ASSETS

From the point of view of the present-day value of these assets, I can assure you that as a result of the additions and improvements which we have effected, the balance-sheet figure representing them is a very conservative one judged by the standard of existing productivity, and that when trading conditions become more normal the results we look to

obtain from them will demonstrate this fact to your entire satisfaction.

Another point in connexion with this development, which is of particular interest at the present time, is the fact that despite the introduction of every conceivable labour-saving device, despite the use of three times the amount of mechanical power per employee, we are now employing more than double the men employed in 1924. This is an achievement of which we can all be proud in these days of increasing unemployment, and we have every confidence that the full development of the metal window business will lead to the absorption of still further labour.

#### DEVELOPMENT OVERSEAS

With regard to the plans for the development of our business overseas, we have during the past year experienced some of the difficulties inseparable from the disturbed trading conditions which have prevailed, but we are more than ever satisfied as to the wisdom of having acquired manufacturing plants in both the United States and Germany, as, although progress has been retarded, we have availed ourselves of the opportunity to overhaul and consolidate these organizations, with the result that we are fully prepared to take advantage of recovery in world trading when that occurs.

I am glad to be able to tell you that Darlington Rolling Mills are doing very well indeed. The company is making good profits besides supplying us with our raw material at an economic figure.

#### THE SILVER END ESTATE

I should like now to explain the importance to us of the Silver End Development Company, Limited. In 1925 more than one-third of our employees were cycling daily distances which constituted a serious inroad into their working efficiency; we had exhausted local supplies of labour and available housing accommodation, and further progress demanded more men. The necessary acreage was, therefore, acquired in a most suitable position in order to make good this deficiency.

I wish to point out that in addition to the houses and complementary buildings, there is on this estate the factory in which are made the most expensive parts of our windows. Every week over 500,000 small parts, mostly of brass and bronze, are produced outright in this most complete factory, which includes our foundry and hot stamping shops. There is also what is probably one of the best equipped tool works in Great Britain; in it are made all the tools, jigs, dies, patterns, &c., on which we depend to a very large extent for the efficiency of our manufacturing plants.

The whole of our transport system is centralized at Silver End, and the importance of this part of our organization may be gauged from the fact that by far the greater part of our output is moved by road. The position of Silver End midway between our main factories at Braintree and Witham makes it the logical point at which to maintain all these elements.

Before concluding my remarks, there are two points to which I wish to make special refer-

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ence. The first is the volume of stocks we carry; this represents a very real liquid asset, which is turned over several times during each year, and is annually subjected to a rigid physical valuation.

#### SALES ORGANIZATION

The second and more important matter is that of our sales organization, for it is on this that the successful prosecution of our business is ultimately and entirely dependent. Without it all our efforts to obtain manufacturing efficiency would be of no avail. Selling means a great deal more than the disposal of manufactured goods, and we are proud of the fact that, by paying particular attention to this invaluable end of our business, we have over a long period of years built up an organization which stands for service in every sense of the word. This is maintained by close personal contact with our customers throughout the world, through our depôts and agencies.

I am pleased to tell you that our productive efficiency is showing very definite improvement, and, despite general adverse conditions, our sales, and sales prospects, give us every confidence.

I am sure you will wish to join me in expressing the utmost appreciation to the whole of our staff and employees for the loyal and efficient service they have rendered during the past year, without which the satisfactory results which have been placed before you could not have been achieved. (Hear, hear.)

I now beg to move:—"That the directors' report and statement of accounts for the year ended August 31, 1930, now submitted to this meeting, be and the same are hereby received and adopted."

Mr. W. C. C. BYWATER (one of the managing directors) seconded the resolution, and, after the CHAIRMAN had replied to questions, it was carried unanimously.

The dividend as recommended was approved, and the director retiring by rotation, Mr. W. F. Crittall, was re-elected.

#### THE DIRECTORATE

The CHAIRMAN, in moving the re-election of Messrs. C. S. Freeman, C. F. Lavermore, C. E. Rogers, and R. Small, who had been appointed directors during the year, said that it had always been their policy to confine the board to men actively engaged in the business, and the four gentlemen it was now proposed should be added to the board were all men who had spent a considerable time with the business and occupied important executive positions.

Mr. BYWATER, in seconding the resolution, said that he had known these men for a considerable number of years and they had, he was sure, the interests of the business at heart. The resolution was carried unanimously.

The auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake were reappointed; and the proceedings terminated with a cordial vote of thanks to the chairman, directors, and staff on the motion of Mr. HOWGRAVE, seconded by Mr. INMAN, with a request that a message of good will should be sent to the governing director, Mr. F. H. Crittall.



## The Financial News (London)

№. 14 207

# CRITTALL MANUFACTURING.

## Continued Progress.

## ORGANISATION BEING STEADILY BUILT UP.

### Sir Valentine Crittall's Review.

The sixth ordinary general meeting of the Crittall Manufacturing Co., Ltd., was held yesterday at River Plate House, Finsbury-circus, E.C.

Sir Valentine Crittall, J.P. (chairman and one of the managing directors), presided.

The Secretary (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The Chairman said: Ladies and gentlemen, before proceeding with the business for which this meeting has been summoned, I am sure you will allow me to add one word in regard to my father, Mr. F. H. Crittall, whose retirement from the chairmanship of this company is referred to in the directors' report. I need make no mention of my father's life-long association with the metal window industry; he felt, however, that having established this company on such a firm foundation the world over, it was a fitting moment he should, having reached, as you know, the age of seventy years, seek relief from some of the numerous labours involved in the duties he has up to now performed. We shall continue to enjoy the full advantage of his ripe experience and guidance, and you will be glad to know that at the present time he is on a world tour of inspection of our overseas interests, it being the wish of the directorate that he should do so, and it is for that reason that he is not present with us to-day.

There is another matter to which I must make reference, and that is to the untimely death of our late and valued colleague, Mr. E. H. Runnacles. Mr. Runnacles, who was associated with my father for over forty-five years, played an important part in the building up of this business.

#### SATISFACTORY PROFIT.

I will now proceed to the business of this meeting, and the directors' report and accounts having been in your hands for some days, I will assume it is your wish, as is customary, that they be taken as read.

Your directors have on this occasion included the explanation of the accounts in their report, and we trust you will have found this procedure of greater convenience and assistance to you. Having adopted this method, there is no need for me to refer again to the accounts in detail.

The profit and loss account, however, is one to which you will expect me to make special reference, and I think you will agree with me that the figure of profit of £250,203 19s. 7d. for the past year is, in view of the conditions with which we have had to contend, a highly satisfactory one.

As to the general affairs of your company, I welcome this opportunity of addressing you as your chairman, for as one whose whole life has been devoted to the business of the company, I am perhaps apt to take for granted what competent outside observers regard as a very remarkable organisation. With your permission, therefore, I will endeavour to convey to you as briefly and clearly as possible what in my view the Crittall Co. really is and what we intend it shall become.

As many of you are probably aware, we set out originally with the object of converting users of wooden windows to the use of metal, as we realised that the achievement of this object would provide a guarantee of a continuous demand for our products. In order, however, to meet this demand, it was necessary to create a manufacturing, selling and distributing organisation which would produce on an economic and profitable basis adequate supplies of this indispensable commodity. It is on this task that we have been engaged since 1924, and I look upon the past year's results as proof that our work has been well done.

#### HIGHLY EFFICIENT FACTORIES.

I can say without the least fear of contradiction that in our factories at Braintree, Witham, Maldon and Silver End we are possessed of manufacturing units which compare favourably with any plants either in this country or throughout the world. By constant attention to economic principles they have without exception been brought to the highest pitch of technical efficiency, and it is by the expenditure of upwards of £30,000 per annum, referred to in the report, that we maintain them in this condition.

In the building up of the organisation which exists to-day, we have, of course, had to overcome various difficulties, and I am quite sure you must all realise, as I do, that it is a physical impossibility to obtain during a period of construction the results which are the ultimate object. We have now reached a stage when we can definitely say that, from the point of view of our productive units in this country, our plans are complete, that they are functioning in a manner which accords with our highest expectations, and that their already high efficiency will be further increased as total productive capacity is attained.

#### CONSERVATIVE VALUATION OF ASSETS.

From the point of view of the present-day value of these assets, I can assure you that, as a result of the additions and improvements which we have effected, the balance-sheet figure representing them is a very conservative one judged by the standard of existing productivity, and that when trading conditions become more normal the results we look to obtain from them will demonstrate this fact to your entire satisfaction.

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Another point in connection with this development, which is of particular interest at the present time, is the fact that, despite the introduction of every conceivable labour-saving device, despite the use of three times the amount of mechanical power per employé, we are now employing more than double the men employed in 1924. This is an achievement of which we can all be proud in these days of increasing unemployment, and we have every confidence that the full development of the metal window business will lead to the absorption of still further labour.

#### DEVELOPMENT OVERSEAS.

With regard to the plans for the development of our business overseas, we have, during the past year, experienced some of the difficulties inseparable from the disturbed trading conditions which have prevailed, but we are more than ever satisfied as to the wisdom of having acquired manufacturing plants in both the United States and Germany, as, although progress has been retarded, we have availed ourselves of the opportunity to overhaul and consolidate these organisations, with the result that we are fully prepared to take advantage of recovery in world trading when that occurs.

I am glad to be able to tell you that Darlington Rolling Mills are doing very well indeed. The company is making good

profits besides supplying us with our raw material at an economic figure.

#### THE SILVER END ESTATE.

I should like now to explain the importance to us of the Silver End Development Co., Ltd. In 1925 more than one-third of our employes were cycling daily into their working efficiency; we had exhausted local supplies of labour and available housing accommodation, and further progress demanded more men. The necessary acreage was, therefore, acquired in a most suitable position in order to make good this deficiency.

I wish to point out that, in addition to the houses and complementary buildings, there is on this estate the factory in which are made the most expensive part of our windows. Every week over half a million small parts, mostly of brass and bronze, are produced outright in this most complete factory, which includes our foundry and hot stamping shops. There is also what is probably one of the best equipped tool works in Great Britain; in it are made all the tools, jigs, dies, patterns, &c., on which we depend to a very large extent for the efficiency of our manufacturing plants.

The whole of our transport system is centralised at Silver End, and the importance of this part of our organisation may be gauged from the fact that by far the greater part of our output is moved by road. The position of Silver End midway between our main factories at Braintree and Witham makes it the logical point at which to maintain all these elements.

Before concluding my remarks, there are two points to which I wish to make special reference. The first is the volume of stocks we carry; these represent a very real liquid asset, which is turned over several times during each year and is annually subjected to a rigid physical valuation.

#### SALES ORGANISATION.

The second and more important matter is that of our sales organisation, for it is on this that the successful prosecution of our business is ultimately and entirely dependent. Without it, all our efforts to obtain manufacturing efficiency would be of no avail. Selling means a great deal more than the disposal of manufactured goods, and we are proud of the fact that, by paying particular attention to this invaluable end of our business, we have over a long period of years built up an organisation which stands for service in every sense of the word. This is maintained by close personal contact with our customers throughout the world, through our depots and agencies.

I am pleased to tell you that our productive efficiency is showing very definite improvement, and despite general adverse conditions our sales, and sales prospects, give us every confidence.

I am sure you will wish to join me in expressing the utmost appreciation to the whole of our staff and employes for the loyal and efficient service they have rendered during the past year, without which the satisfactory results which have been placed before you could not have been achieved. I now beg to move: "That the directors' report and statement of accounts for the year ended 31st August, 1930, now submitted to this meeting, be, and the same are hereby, received and adopted."

Mr. W. C. C. Bywater (one of the managing directors) seconded the resolution, and, after the chairman had replied to questions, it was carried unanimously.

The dividend as recommended was approved, and the director retiring by rotation, Mr. W. F. Crittall, was re-elected.

#### THE DIRECTORATE.

The Chairman, in moving the re-election of Messrs. C. S. Freeman, C. F. Livermore, C. E. Rogers, and R. Small, who had been appointed directors during the year, said that it had always been their policy to confine the board to men actively engaged in the business, and the four gentlemen it was now proposed should be added to the board were all men who had spent a considerable time with the business and occupied important executive positions.

Mr. Bywater, in seconding the resolution, said that he had known these men for a considerable number of years, and they had, he was sure, the interests of the business at heart.

The resolution was carried unanimously.

The auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co., and Messrs. Luckin and Sheldrake, were reappointed, and the proceedings terminated with a cordial vote of thanks to the chairman, directors, and staff on the motion of Mr. Howgrave, seconded by Mr. Inman, with a request that a message of good will should be sent to the governing director, Mr. F. M. Crittall.



The Economist (London) № 4556.

CRITTALL MANUFACTURING COMPANY, LIMITED.

CONTINUED PROGRESS.

Presiding at the ordinary general meeting of the Crittall Manufacturing Company, Ltd., held on the 17th instant, at River Plate House, London, Sir Valentine Crittall, J.P. (chairman and managing director), in moving the adoption of the report and accounts, said that before dealing with the business of the meeting he wished to refer to the retirement of Mr F. H. Crittall, his father, from the position of chairman of the company. Having now reached the age of seventy, he felt that he was entitled to some relaxation from his lifetime labours on behalf of the metal window industry. All the same, the company would continue to enjoy the full benefit of his experience and guidance, and they would be pleased to know that at the present time he was on a world tour of inspection of their overseas interests.

THE YEAR'S WORK.

Dealing with the year's work, he stated they would note with satisfaction that the profits amounted to £250,203 for the past year, an amount which he felt sure they would regard as highly satisfactory. Their company was originally established for the purpose of converting users of wooden windows to that of metal, and early in its history they realised that it was necessary to create manufacturing units and distributing organisations with a view to putting their specialties on the market by an economic and profitable basis. Since 1924, therefore, they had been engaged in carrying out this object. He ventured to say that in their factories at Braintree, Witham, Maldon, and Silver End, they possessed manufacturing units which compared favourably with any plants either in this or any other country. In building up an organisation, it was impossible to obtain during the period of construction the results which they ultimately aimed at. They had now reached the stage when he could definitely say their present plants were complete, and the organisation was functioning in a manner which accorded with their highest expectations.

From the point of view of the present-day value of their assets, he assured them that as a result of the additional improvements which had been effected the balance-sheet figures representing them were arrived at on a conservative basis, and when trading conditions again became normal the results they looked to obtain from them would satisfactorily establish that fact. Although they had introduced every conceivable labour-saving device and were using three times the amount of mechanical power per employee they had now more than double the men employed as compared with 1924. This was an achievement which he thought they might be justly proud of. In their overseas business they had during the past year experienced considerable difficulties, but they were satisfied the acquisition of manufacturing plants in the United States and Germany justified their expectations and would enable them to take full advantage when the long-hoped-for recovery in world trade came about.

THE SILVER END FACTORY.

In regard to Silver End, he pointed out that in 1925 more than one-third of their employees were cycling daily distances which constituted serious inroad on their working efficiency. They had exhausted local supplies of labour and available housing accommodation, and further progress demanded more labour. The necessary ground was therefore acquired to make good this deficiency. In addition to the houses and complementary buildings, there was established there the factory which made the most expensive parts for their windows. Every week half a million small parts, mostly brass work, were produced outright in this, one of their most complete factories; in fact, it was from the efficiency of their Silver End factory that much of their success was achieved. The whole of their transport system was centralised there, and the importance of Silver End to their organisation could be gauged from the fact that by far the larger part of their output was moved by road. The volume of stock they carried represented real liquid assets which were turned over several times during each year and was annually subjected to rigid valuation.

They had paid particular attention to their sales organisation, and they were proud of the fact that through its development they had over a long period of years built up an enterprise which stood for service in every sense of the word. Through it they were able to maintain personal contact with their customers throughout the world.

Every year saw a definite move in their productive efficiency, and despite adverse conditions their sales and sales prospects warranted them in looking forward to the future with the utmost confidence.

The report and accounts were unanimously adopted, and the proceedings closed with a vote of thanks to the chairman, directors and staff.



The Times (London)

Nr. 46012

THE CRITTALL  
MANUFACTURING COMPANY

REVIEW OF ACTIVITIES AND  
PROGRESS

INCREASING USE OF METAL  
WINDOWS

LARGER HOME BUSINESS

NATIONAL IMPORTANCE OF  
THE INDUSTRY

SIR VALENTINE CRITTALL'S  
ADDRESS

The SEVENTH ORDINARY GENERAL MEETING of The Crittall Manufacturing Company, Limited, was held yesterday at River Plate House, Finsbury-circus, London, E.C.

SIR VALENTINE CRITTALL, J.P. (chairman and managing director), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the auditors' report.

The CHAIRMAN said:—Ladies and gentlemen,—The report and accounts having been in your hands for some days I assume as usual it is your wish they should be taken as read. (Agreed.)

Having, as last year, adopted the method of including the explanation of the accounts in the report, there is no need for me to refer to them again in detail. With your permission, therefore, I will proceed at once to deal with the general affairs of your company.

The difficulties which have beset the period covered by the accounts presented to you are so well known as to need little explanation. The volume of world trading has been in a steady and progressive decline, and in these circumstances, which up to now have proved to be beyond human control, your board are gratified in being able to report that the past year's trading resulted in so satisfactory a profit as the figure of £203,350 13s. 10d.

CONDITIONS OF OVERSEA TRADE

You will, I think, more readily appreciate the significance of this achievement if I remind you that a substantial part of the sums which we have invested overseas have in the

current period been non-revenue producing, and consequently the remainder of our organization has had to bear an undue proportion of the effects of the unsatisfactory state of world trading.

In Germany and America particularly conditions continue to be unsatisfactory, and while the difficulties of trading successfully in these two countries are at the moment self-evident, your directors still have every confidence that these interests are both capable of rapid and profitable development given normal trading opportunities.

In many other of our oversea markets restricted purchasing power has had a temporarily adverse effect on demand from our factories and has produced but a fraction of the business we have had in previous years. An exception to the general rule has been provided by South Africa, where we have continued to make very satisfactory progress.

In China the expansion of our business and the consequent necessity for more regular supplies rendered necessary the installation of a manufacturing plant during the past year. The demands on our home factories from this source are increasing in a highly gratifying manner, and the partnership into which we have entered with the most powerful trading organization in the East leads us to look for a considerable growth in the volume of our trade in that part of the world.

CONVERSION TO METAL WINDOWS

Turning now to the home market, you will, I am sure, be interested to know that, despite the large falling off in building, we have actually succeeded in materially increasing the volume of our home business. I want particularly to impress upon you that this increase has been obtained not so much at the expense of other makers of metal windows as by the conversion to the use of metal windows of an ever-increasing number of those who have previously used wood. (Hear, hear.)

In the Darlington Rolling Mills, which as you are aware is half owned by this company, we are now capable of producing the whole of our requirements, and during the period under consideration the capacity to produce light steel sections has been doubled. In addition to material for the window trade they are now producing profitably steel for other industries, particularly the motor-car trade, and I am sure you will be pleased to know that in point of accuracy and rolling quality generally Darlington is now turning out material fully equal to the specialized mills of Germany and the United States. (Cheers.)

The importance of this, of course, lies in the fact that articles of entirely British manufacture from this mill are replacing purchases which were previously effected from foreign producers.

GOVERNMENT AND MUNICIPAL BUILDING  
POLICY

The recent upheaval in the world of politics and finance must be too fresh in the minds of you all to call for special comment from me, but I would like to deal with one aspect of the new situation which has arisen as being of particular interest to us as manufacturers of metal windows.

I refer to the policy of the present Government and the majority of local bodies in including in their economy programmes the practical cessation in expenditure on every type of building, whether for new development or reconstruction purposes.

While it may be both disadvantageous and inadvisable in existing circumstances to expend public funds in directions entailing payments abroad for articles imported, it is in my view nothing less than false economy to restrict to any serious degree expenditure on home manufactures, the production of which would render beneficial assistance to the increasingly serious unemployment question.

In the case of building particularly there is a wider aspect which is entitled to the fullest consideration. Very many years of intensive work are urgently necessary in order to provide much-needed housing accommodation of the right type, particularly in the overcrowded and consequently unhygienic slum areas. This, to my mind, is a matter which need not and should not be dependent for its prosecution on the outcome of international financial discussions, as I am fully convinced that, if such a course be followed, the permanent loss to the community, both material and moral, will far outweigh any temporary benefit which might accrue.

WELL EQUIPPED FOR TRADE REVIVAL

What the immediate future may have in store for us it would be idle for me to attempt to forecast at the present time, since world financial and economic conditions are entirely abnormal and there is no precedent by which to judge the probable course of events.

That existing difficulties must and will eventually be overcome there can be no doubt, and in the meantime it is essential that manufacturers, particularly those who like ourselves are engaged in trading of a world-wide character should concentrate on the general efficiency of their plant, machinery, and distributing organizations, in order not only to maintain operations at the highest possible level, but to be fully prepared to handle the increased volume of trading which will result from a restoration of more normal world conditions.

So far as your company is concerned, I am pleased to be able to tell you that at no time in its history has it been better equipped for this purpose. This statement applies equally to our home factories and to our manufacturing and assembly plants overseas.

The fact that we have been able to expand our home market and earn such a creditable profit with so many of our markets practically closed to us speaks well for the ability and energy of the sales side of our business as well as reflecting great credit on the manufacturing end, which has, by the exercise of great economies and the introduction of new methods, offset, to a great extent, the temporary loss of trading overseas. (Hear, hear.)

A NATIONAL INDUSTRY

The metal window is essentially a national industry and of paramount national importance for the reason that more than three-quarters of the cost of the raw material employed in the construction of steel windows is represented

Wenden!



by wages paid for labour in the coalmine, the blast-furnace, and the rolling mill, whereas the material required for the construction of a wooden window is almost entirely a product of Nature, and the proportion represented by wages is negligible; what is more important, nearly all wood used for this purpose is imported from abroad.

Therefore, while purchasers of metal windows are supporting home industries in every sense of the word, every purchase of a wooden window necessitates, to a large extent, export of capital from this country.

I would also remind you that, in addition to being superior in every essential as judged by modern requirements, the metal window of the standard type also compares favourably in price with those made of wood.

Despite the difficulties of the present situation, the fact that there is still a volume of wooden-window business considerably in excess of that which has been converted to steel is an assurance for the future of this company. Our plans for further conversion from wood to steel are going forward, and given an improvement in general conditions we have the utmost confidence in the future of this business.

#### TRIBUTE TO STAFF

I am sure you will wish to join me in expressing the utmost appreciation to the whole of our staff and employees for the loyal and efficient service they have rendered during the past year, without which the satisfactory results which have been placed before you could not have been achieved. (Cheers.)

I now beg to move: "That the directors' report and statement of accounts for the year ended August 31, 1931, now submitted to this meeting, be and the same are hereby received and adopted."

Mr. W. C. C. BYWATER (managing director) seconded the resolution, which, after the CHAIRMAN had replied to questions, was carried unanimously.

The dividend payment made in April last was confirmed; the retiring directors, Sir Valentine Crittall, Mr. W. C. C. Bywater, and Mr. F. Pickering Walker, were re-elected; and the auditors were reappointed.

A hearty vote of thanks was accorded to the governing director, as well as to the chairman and his colleagues, and the proceedings terminated.



Kölnische Zeitung

Nr. 704

**Geschäftsgang in der Eisenfensterindustrie**

Aus der HV. der Crittall Manufacturing Co.

Unser Londoner Mitarbeiter schreibt uns: In der gestrigen ordentlichen Hauptversammlung der Crittall Manufacturing Co. Ltd. teilte der Vorsitzende Sir Valentine Crittall mit, daß sich das Geschäft in Deutschland und den USA. während des Berichtsjahres ganz besonders schlecht entwickelt habe. Erst nach Rückkehr normaler Wirtschaftsverhältnisse sei wieder mit angemessenen Gewinnen aus den Konzernbeteiligungen in diesen beiden Ländern zu rechnen. Aber auch anderweitig ist infolge der verringerten Kaufkraft der Bedarf für die Gesellschaftererzeugnisse wesentlich kleiner gewesen. Eine Ausnahme war Südafrika, wo der Absatz weiterhin günstig gewesen ist. In China mußte, um die ununterbrochene Zufuhr zu gewährleisten, eine eigne Fabrik gebaut werden, die aus England die halbfertigen Erzeugnisse bezieht. Der Absatz in China erfolgt in Gemeinschaft mit einer führenden Handelsorganisation.

Im Inland hat sich trotz der wesentlich kleinern Bautätigkeit der Umsatz ganz bedeutend gehoben, und zwar weniger durch Verdrängung von Konkurrenzmarken als durch Verwendung von Eisenfensterrahmen an Stelle von Holzfenstern. Die Stahlwalzwerke zu Darlington, welche der Gesellschaft zur Hälfte gehören, können nunmehr ihren ganzen Halbzeugbedarf befriedigen, da während des Jahres das Herstellungsvermögen in Profilen aus leichtem Stahl verdoppelt worden ist. Die Walzwerke in Darlington beliefern nunmehr auch andre Industrien, vor allem Automobilwerke. Der Konzernvorsitzende meint, daß die Wirtschaftskrise über kurz oder lang verschwinden muß. Dann wird die Gesellschaft zur Befriedigung der zunehmenden Nachfrage dank neuerzeitlicher Maschinen und einer glänzenden Absatzorganisation gewappnet sein.



Signatur *Max Czif*

Datum

14. Dez. 1932

The Times (London)

Nr. 48316

## CRITTALL ACCOUNTS

### WRITING DOWN OF STOCKS

A heavy decline in profits is shown by the accounts of the Crittall Manufacturing Company, manufacturers of metal windows, doors, casements, bronze work, &c. The profit for the year ended August 31, after providing for interest on loans, directors' fees, and welfare expenditure, is shown at £68,271, against £169,006 for 1930-31. The past year's figure, however, is arrived at without making any further provision for depreciation, and after making adjustment of taxation and transfer from contingency account, no longer required (£11,501). By charging debenture interest (£30,000) and notes interest (£45,000), the above-mentioned profit is turned into a net loss of £6,729 (against a net profit of £94,006). The Preference share dividend to November 30, 1931, took £8,750, with the result that the credit balance brought forward is reduced from £17,676 to £2,197, which is carried forward. The Preference dividend remains in arrear as from December 1, 1931.

The directors state that during the year the rapid development of the world economic crisis and the serious curtailment of building both at home and abroad have materially restricted the company's operations, especially during the last six months of the period. Approximately £27,000 has been charged in the accounts for upkeep of plant and machinery, and in the circumstances no further provision for depreciation has been considered necessary.

Stocks have been examined in the light of the prevailing low value of building materials and a special amount of £144,837 has been written off that item. This amount has been provided by a transfer from general reserve, reducing that account to £125,163. Stocks now appear at £391,671. Meeting, December 21.



The Times (London)

Nr. 46323

## THE CRITTALL MANUFACTURING COMPANY

WORLD-WIDE INTERESTS

### GOVERNMENT AND THE BUILDING TRADE

#### SIR VALENTINE CRITTALL'S ADDRESS

The EIGHTH ORDINARY GENERAL MEETING of The Crittall Manufacturing Company, Limited, was held yesterday at River Plate House, Finsbury Circus, London, E.C.

SIR VALENTINE CRITTALL, J.P. (chairman and managing director), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the auditors' report,

The CHAIRMAN said:—Ladies and gentlemen,—The report and accounts of the company have been in your possession for the past week and I assume it is your wish to take them as read. (Agreed.)

You will have gathered from the directors' report that the rapid development of the world economic crisis and the serious curtailment of building both at home and abroad have adversely affected your company's profits, particularly during the last six months of the past trading year.

I am sure you will approve, for the reasons given in the report, the prudence of our action in taking from our reserves an amount to enable us to write down our stocks to levels ruling in the building trade.

#### OVERSEAS INVESTMENTS

The constantly changing condition of world trade generally makes it extremely difficult to give an accurate picture of our overseas investments. I am anxious, however, that you should know what is represented by the figure of £798,514, the amount of our holding in associated and subsidiary companies. These companies have factories in the United States at Detroit and Washington, D.C., in Germany at Düsseldorf and Leipzig, in Australia at Melbourne, in New Zealand at Dunedin, and in China at Shanghai, while in South Africa we own a chain of warehouses for the distribution of your company's products. In fact their assets consist largely of freehold land and buildings, plant and machinery, together with ample stocks of finished windows.

During the period under review, in order to consolidate our Continental position, we absorbed a competing business in Germany, and I

am pleased to tell you that despite conditions in Europe we worked and are still working profitably there. In the United States too we look forward, on the resumption of anything approaching normal conditions, to an adequate return from this company. The fact that South Africa remains on the gold standard has had such a bad effect on trade in that country that our own business has suffered a reduction of profit during the period. In the accounts before you there is no benefit from any of these overseas investments, the whole of the profits being derived from home trading.

I want you to appreciate, however, the earning capacities of these overseas factories. I am confident that an improvement in world trade will yield a substantial return for the money invested in Crittall overseas.

The shareholding in the Darlington Rolling Mills is included in this total, and this business continues to work profitably.

Coming to a general review of our business during the past year nothing has happened to restore the falling off of export business which we suffered last year; there has, in fact, been a further 50 per cent. diminution in the volume of exports. At home sales are less than 25 per cent. lower despite the fact that the official returns show building to be over 40 per cent. lower than last year, from which it will be seen, thanks to a most efficient sales organization, we can claim to have obtained more than our full share of the business available.

#### BUILDING TRADE OUTLOOK

I would like at this point to say a word about the state of the building trade. There are more people employed in building and its allied trades than in any industry in the country, and the Government's policy of economy regardless of consequences has already had the effect of increasing unemployment by over 42 per cent. This gives a picture of the condition of the industry, and while the actual stoppage of Government assistance to building is in itself serious, the application of this policy to general building development has been little short of disastrous. The natural result of the decreased amount of work available has been a serious fall in the price of all building materials. To-day many building commodities are sold at less than the cost of production, and it is difficult to imagine that prices can go lower. Property to-day, more than ever, is a good investment, and with the extremely low cost of building now prevailing, together with the cheapness of money, there surely could not be a better time to build than the present. There are already indications that the investor appreciates these conditions and is turning in this direction, and when the lead is more generally followed one can confidently look forward to a decided improvement in your company's prospects, for, as you know, the fortunes of your company must necessarily follow those of the building world.

To meet the fall in prices has meant constant and drastic economy in every department of your company's activities. This has occupied the untiring attention of the management, and though to-day a reduced earning is shown, I feel we have done well under prevailing conditions. Particularly I would ask you to bear in mind that the results of every campaign of

economy are necessarily delayed; consequently, the full benefit of the economies effected have not been reflected in the accounts under review. I am pleased, however, to tell you that to-day we are working on a more profitable basis than during the same period of last year.

#### A CONTRACT OF WORLD-WIDE INTEREST

It has never been the habit of your chairman to refer particularly to any specific contracts which have been secured, and this for the reason that it takes more than one swallow to make a summer. An order which has just been obtained for the windows of a building of world-wide interest justifies, I think, breaking this rule. I refer to the League of Nations Building at Geneva. Quite apart from the size of this order—and it is a large one—it was obtained in open competition with window makers throughout the world.

The real importance of this contract to you is the fact that a body of international architects has, after the fullest consideration and investigation, as you may well imagine, preferred steel to wooden windows. We regard this as a signal victory for the metal window—as I have always told you metal windows must eventually become universal.

The message of appreciation to our staff and employees which in previous years has been recorded at this meeting, and which I again ask you to send, has a more than usual value on this occasion. I have referred to the drastic economies which we have made. These have meant sacrifices throughout the organization, despite which fact we have had very loyal assistance from every one without which it would have been impossible to produce the results now submitted to you.

In conclusion I would like to draw particular attention to the highly efficient condition in which the company's factories, plant, and machinery have been maintained. During the past year we have expended out of revenue the sum of over £27,000 in this connexion, and I feel sure you will approve the wisdom of this policy. Your company possesses the most up-to-date window-making plant in the world, and by such maintenance in a high state of efficiency your company will be enabled to reap the full benefit from such trade as exists and to produce satisfactory results for its shareholders when the building trade returns to more normal conditions.

#### THE REPORT RESOLUTION

I now move:—"That the directors' report and statement of accounts for the year ended August 31, 1932, now submitted to this meeting, be and the same are hereby received and adopted."

Mr. W. CECIL C. BYWATER (managing director) seconded the resolution.

Some discussion followed, chiefly in regard to the position of the subsidiary companies, and

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the chairman was pressed to supply the shareholders with further information.

The CHAIRMAN then stated that the board were satisfied that all the investments in the subsidiary companies were real assets consisting of freehold land, factories, and machinery capable of giving a fair return on the money invested. Since the date of the balance-sheet their position had improved, and he hoped that at the next meeting he would be able to report that these companies had contributed to the profits of the parent company. He promised that a consolidated balance-sheet would be incorporated in the accounts next year.

The resolution was then put to the meeting and carried.

The retiring directors, Mr. C. S. Freeman, Mr. C. F. Livermore, and Mr. C. E. Rogers, were re-elected, and Messrs. Kemp, Chatteris, Nichols, Sendell and Co., and Messrs. Luckin and Shel-drake, were reappointed auditors.

The CHAIRMAN then moved a resolution authorizing an increase in the borrowing powers of the directors by £250,000 and explained that the directors were not asking for this money to spend, but simply to deal with the situation in regard to the five-year notes.

Mr. BYWATER seconded the motion, which was approved.

A hearty vote of thanks to the chairman, directors, and staff concluded the proceedings.



Signatur

A. L. L. 687

Datum

14. Dez. 1933

The Times (London)

Nr. 46627

**Crittall Manufacturing Accounts**

Accounts of the Crittall Manufacturing Company for the year ended August 31 show a trading profit of £69,636. This is arrived at after charging about £26,000 for upkeep of plant and machinery, but the auditors express the view that further provision should be made for depreciation and obsolescence. For 1931-32 the trading profit was £100,632. The best feature about the latest profit is that the whole of it was made during the last four months of the financial year, the directors adding that the improvement is being maintained up to the present date. The year's revenue is sufficient to meet interest on bank loans and on the company's Six per Cent. Debenture stock, but in order to pay interest on the Six per Cent. Notes it has been necessary to take £45,000 from reserve. The issued share capital is £1,500,000, of which £500,000 is in Seven per Cent. Cumulative Preference shares; the dividend on these shares has been unpaid since December, 1931. The company's overseas interests total £998,000, of which £864,000 is represented by interests in the United States and Germany. In both of these countries heavy capital losses have been made, and in order to meet them and to make other adjustments a rearrangement of the parent company's share capital is foreshadowed, but consideration of it is being deferred in view of the improved trading position. The balance-sheet shows sundry debtors for £239,000 against sundry creditors for £323,000. There is also a bank overdraft for £276,000.



The Times (London)

Nr. 46636

## THE CRITTALL MANUFACTURING COMPANY

### REVIVAL IN THE HOME MARKET

### MARKED SUPERIORITY OF THE METAL WINDOW

### POSITION OF THE OVERSEAS INTERESTS

#### SIR VALENTINE CRITTALL'S STATEMENT

The NINTH ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held on Thursday last at the Institute of Chartered Accountants, Moorgate Place, London, E.C.

SIR VALENTINE CRITTALL, J.P. (chairman and managing director of the company), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen, Before formally submitting for your approval the resolution for adopting the directors' report for the last financial year, I should like to make a few remarks on the causes which have contributed to the decline in our profits shown in this and in recent accounts.

A few years ago the earnings of our factories at home were considerably assisted by the volume of our export trade; there were signs that this part of our business was threatened, partly by the appearance of competing British makers in markets which we had opened, but still more by the activities of local makers, for whose protection and encouragement tariffs and other obstacles were coming into force. In our experience these were good markets and we took what then seemed to be prudent steps to prevent them and their contribution to profit from being lost. In this we followed the example of other great industries, and after careful consideration we decided that it was necessary that the Crittall window should be manufactured in the countries concerned.

#### THE AMERICAN AND GERMAN ACQUISITIONS

To this end we acquired manufacturing units in America and Germany with a view to

development on proved lines. We aimed to secure to the Crittall product a share of these markets comparable with its position in this country, and in this, from the outset, we were successful. At that time it was inconceivable that there would be, as we all know there was and still is, an almost total cessation of those commercial activities by which the demand for our goods is supported.

In the United States the industrial catastrophe, of which its 12,000,000 unemployed is the index, put an end almost entirely to building as well as to other activities. In Germany the depths of the depression can be gauged by the drastic political developments to which its people have turned in the hope of relief. It remains to be seen to what extent the new régimes in these countries will succeed in getting the industrial machine at work again.

I would remind the shareholders that our interests in these countries include not only property, plant and machinery but an established position and a reputation in the industry sufficient to assure us of a large share of the market.

#### POSITION OF THE HOME TRADE

Now, turning to our home business, at our last meeting I foreshadowed a probable revival in building. I based this forecast on the indications then existing that private enterprise was becoming active to take advantage of the large funds which were accumulating with the building societies, and carry on the expansion of housing previously developed by State and municipal aid. It was not, however, until the spring of this year that this activity materialized sufficiently to have any effect on the business of the company. During the early period the shortage of building and the scarcity of orders had a disastrous effect upon prices. Since the spring, however, the increase in the number of houses which have been built, as well as the increase in the proportion of them which have been fitted with Crittall windows, has enabled us to refuse orders at unprofitable prices. During the summer also, the general price at which your product was sold has reached a level of reasonable and satisfactory profit, although the average was somewhat affected by contracts entered into during the period of depression.

As indicated in the report, the whole of our trading profit for the year under review was made during the last four months of our financial year. I am, moreover, pleased to tell you that the improvement in our trade is continuing and there is every indication that next year's operations will be sufficient to maintain earnings at the level indicated.

#### SLUM CLEARANCE

The urgency of slum clearance with its backing from the Government provides a further market which can only be filled satisfactorily by metal windows, as the purpose of such buildings demands, in the interests of health and cleanliness, the elimination of wood wherever possible.

The fact that London is rapidly becoming a city of flats and that our standard products are peculiarly suited to this class of building provides a market for the immediate future and for some time to come. The marked superiority of the metal window, and the increased comfort which it provides to the user, establishes the use of our product as an essential part of modern building construction.

#### COMPANY'S ADVERTISING CAMPAIGN

In the autumn of 1932 we made a special investigation on the subject of the proportionate use of metal and wooden windows in speculative building, and in consequence created a propaganda department under our sales organization whose duties were to convert the previous users of wooden windows to the use of our product. It was decided to support this department with an advertising campaign, and you have probably noticed that since April, from time to time, particularly in the London evening Press, our advertisements have appeared in the housing section. We are well satisfied with the results of this expenditure. Might I remind shareholders present that they too can do much to increase the volume of our business by bringing the superior qualities of the metal window to the notice of prospective builders of houses.

The strongest aid to our sales is that the demand for the product shall come from the actual house buyer. By the employment of Crittall windows there is no warping, no twisting, no swelling, no shrinking, no draughts, and no rattling. Crittall windows fit, not only when fitted but for 50 years after, and they carry a guarantee. Crittall guaranteed windows are in fact, as our posters state, the sign of a well-built house.

In our standard window factory at Witham we have been making for some months past between 6,000 and 7,000 windows daily. We are engaged at this time on a scheme of production which will enable us to increase this to over 10,000 windows daily without serious capital expenditure.

Your directors are confident that, given a continuance of the revival in the building trade—and there is every indication that next spring will show a far greater expansion than in the current year—the home company will earn this year profits which will show a considerable margin after providing for the standing charges of the company.

#### QUESTION OF CAPITAL RECONSTRUCTION

It is this improving prospect, coupled with the fact that the Five-Year Notes have been extended for 12 months, which has decided your directors that the more prudent course is to defer for the time being consideration of what reconstruction of our capital may be eventually necessary. It is obvious that an arrangement more favourable to the shareholders of the company can be made when the results of a satis-

wenden.



factory trading are available. It is also reasonable to suppose that the position in the United States and Germany may become clarified, enabling a proper value to be placed on our investments in those countries, which, under present circumstances of daily changing conditions and values, are entirely at the mercy of an unstabilized exchange, and cannot be even approximately valued with any degree of fairness or accuracy.

With regard to our other interests abroad, we are satisfied that these are immediately profit bearing. Arrangements have been concluded whereby we amalgamate our interests in the Union of South Africa with those of Messrs. Henry Hope and Sons, our principal competitors. As a result, we anticipate more economic working in this market and an increase of profit from what has already been a profitable field. There are other directions in which similar arrangements to prevent duplication of expense can be made, and these are engaging our constant attention.

Last year I laid special stress on the high state of efficiency of the company's factories, plant, and machinery. We regard our policy in this respect as of the utmost importance, particularly in view of the strain which is likely to be imposed in the coming spring and summer months. In the year under review we have expended the sum of £26,000 for the upkeep of these items out of revenue, and, quite frankly, in spite of the auditors' comment, I hold that this amply provides for depreciation.

#### A LARGER TURNOVER

The other items of the balance-sheet being clearly set forth in the accounts do not call for particular comment. Our creditors and capital indebtedness are, of course, ever present to the minds of the directors, and with the improvement in trading and profits which we anticipate henceforward these amounts should be considerably reduced in the next accounts.

During the year our governing director, Mr. F. H. Crittall, has, owing to advancing years, resigned his position on the board.

Mr. H. M. Trouncer, whom we have asked to fill the vacancy, represents interests with large holdings in the company. Mr. Trouncer is well known in the City of London, and we feel fortunate in having a man of his standing and experience on the board. (Hear, hear.)

The fact that we are doing a larger turnover with less staff than in previous years is a reason why I ask you to join me in thanking our personnel for their loyal and untiring efforts.

The Chairman concluded by moving the adoption of the report and accounts.

Mr. W. C. C. BYWATER (the managing director) seconded the motion.

#### REPLIES TO SHAREHOLDERS

The CHAIRMAN, replying to shareholders, said

that some of the questions raised seemed to have been framed beforehand without any regard to what he might have to say at the meeting. He ventured to suggest that the speech he had just made had put before the shareholders the position as it actually was. He quite agreed that their overseas policy had not come up to expectations, especially so far as America and Germany were concerned, but in the other countries their investments were improving. It would be futile to attempt to value their investments in America or Germany at the present moment when values were at the lowest ebb. It was the extraordinary developments which had taken place in those particular countries since the last meeting which had rendered it impossible for the board to present, as they had hoped, a consolidated balance-sheet.

In their certificate the auditors had dealt with the question of depreciation and obsolescence of plant and machinery by following the usual practice in such matters, but he could say that the board had very definitely kept everything up to concert pitch, and had done so out of revenue. Whatever had been discarded had been dealt with under the item of obsolescence in the accounts. So far as the factories were concerned there was no question whatever of over-valuation.

#### MR. TROUNCER'S POSITION

Mr. H. M. TROUNCER, who has joined the board since the last annual general meeting as a representative of the Five-Year Notcholders, in supporting the resolution, said that he was glad of the opportunity of making his position clear. The committee whom he represented felt, after considerable investigation, that Crittalls had a very good business if carefully directed. He had joined the board with the idea of helping in every way he possibly could. He asked for the support of the shareholders. They should regard this next year as a test period. His own opinion was that in a year's time, if the business kept up, they would be able to give shareholders a satisfactory account of the position.

The report and accounts were adopted.

The retiring directors, Mr. Robert Small, Mr. W. F. Crittall, and Mr. F. P. Walker, were re-elected, and the appointment of Mr. H. M. Trouncer to the board was confirmed.

The auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co., and Messrs. Luckin and Sled-drake, were reappointed. The proceedings then terminated.



The Times (London)

Nr. 46935

**Better Crittall Results**

For the year ended August 31 the Crittall Manufacturing Company reports a trading profit of £177,095 and a net profit (after meeting interest charges) of £79,015. The previous year's operations resulted in a trading profit of £69,636, which after debiting fixed charges was converted into a net loss of £45,019. Thus the company has enjoyed a substantial recovery, though in considering the profit figure it is necessary to bear in mind that the company, while charging £29,000 (against £26,000) for upkeep of plant and machinery, has again made no provision for depreciation. As was the case a year ago, attention is called to this matter by the auditors, who also repeat the statement they embodied in their report last year that the shareholdings in, and amounts due from, the subsidiary and associated companies and from the Silver End Development Company appear in the balance-sheet at a figure considerably in excess of their present value. The need of a reconstruction of the company's finances, involving some rearrangement of the share capital (at present £1,500,000), has for some time past been fully recognized by the board, but they still think it advisable to defer considering a scheme of the kind until it is possible to obtain a truer idea of the company's future earning capacity. Prospects for the current year, based on orders received and on the satisfactory prices now being obtained, are stated to justify expectations of an increased profit, and the intention is to postpone reconstruction until the results for 1934-35 are known. Dividends on the £500,000 of 7 per cent. Preference shares are in arrear from December, 1931.



The Times (London)

Nr. 46941

CRITTALL  
MANUFACTURING  
COMPANY

EXPANSION OF HOME TRADE

FAVOURABLE OVERSEA  
OUTLOOK

AN EARLY CAPITAL  
REORGANIZATION

SIR VALENTINE CRITTALL'S  
REVIEW

The Tenth Ordinary General Meeting of the Crittall Manufacturing Company, Limited, was held yesterday at the Institute of Chartered Accountants, Moorgate Place, London, E.C.

SIR VALENTINE CRITTALL, J.P. (chairman and joint managing director of the company), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen,—You have received the report and accounts of our working for the year ending August 31, 1934. Before submitting for your approval the resolution adopting this report and accounts I have some observations to make as to the trading of the year under review. It has been a much more cheerful year than the last one; in fact, it has been a profitable year. We have demonstrated the earnability of Crittalls; it now remains for us to translate that earnability into a resumption of the payment of dividends. This will involve a reorganization of our capital structure. It will involve legal formalities and meetings to obtain the approval of various classes of shareholders.

CONFIDENCE IN THE FUTURE

I am anxious to give you a brief outline of the task that your board has set itself to accomplish; at the same time I want to show you that what we have to do is worth doing—in other words, that once we have put our house in order, involving as it does a readjustment of capital values to meet the depreciated value of overseas and other investments, this company has a future which justifies the confidence of those of us who have been associated with it from the outset. Windows are as much part and parcel of our daily lives as houses themselves. Metal windows are now by reason of their merit definitely preferred to wooden ones, so that the eventual replacement of wood by steel is inevitable. To-day there is ahead of us a market by conversion larger than that in which we are operating. Where in the building trade is there such a prospect?

At our last meeting I had to deal with a year's trading the first eight months of which showed no profit. The whole of the profit for that year, £69,000, was earned in the last four months, and I indicated at the time that this rate of earning was being maintained.

The result of the year's trading under review is a very close fulfilment of that prediction. More than this, I am pleased to be able to tell you that on the results of the first three months just ended, coupled with the present position of our order book and of prospects generally, we are confident that we shall make a considerably better showing in the current year. The profits

of the past year have been earned solely on home trading; that is, we have demonstrated our ability to get a good result on home trading alone without assistance from the large sums we have invested overseas.

OVERSEAS CONDITIONS

The report refers to the fact that we have lost £20,000 in our overseas trading. Latest advices from our overseas connexions give us good grounds for the statement that these losses have ceased. Our most difficult territory and our largest investment have been the United States of America. The improvement in conditions brought about by N.R.A. has not so far extended to the building trade, and it would be optimistic to hope for any return from that market until American recovery is well established. In Germany, despite the conditions which prevail in that country, we are now working at a profit.

Our South African business has always been profitable, and since last March, when we launched Crittall-Hope (South Africa), Limited, there has been a very large increase of trade, with profit in proportion. This result will be reflected in the current year. The success of our fusion with Messrs. Henry Hope and Sons, Limited, in this market has led us to make a similar arrangement in China, where hitherto we have made losses. This arrangement should at least have the effect of preventing further loss, and, given a return to normal conditions in China, we believe we can expect profitable working in that territory.

I am pleased to tell you that in the period under review there has been a very substantial increase in the export of our goods to what I may term open markets. My brother, Mr. W. F. Crittall, whose absence from the board to-day you may have noticed, is at this moment at Dhibban, in Iraq, superintending the erection of the first consignment of a contract for steel doors and windows for the new R.A.F. base in Iraq. This is, I believe, the largest order for this class of goods which has ever been placed in this or any other country. (Applause.)

CAPITAL REORGANIZATION

Coming now to the question of capital reorganization, it is gratifying that the first essential for the achievement of this end—namely, profitable working—has been attained. We have in mind a capital reorganization which will take care of all losses and depreciations, and at the same time relieve us of the burden of high-cost loan indebtedness. The scheme which we shall submit to you will, we hope, be approved by the holders of all classes of stocks and shares and achieve this end.

We have indicated in the report that further results on an improved basis of earning will assist this reorganization and that to obtain a scheme equitable to all classes of shareholders it may be policy to postpone the bringing forward of proposals until the results of the current year's working are assured. The board is, however, anxious to avoid any unnecessary delay, and, given favourable circumstances, will not hesitate to bring forward a scheme at the earliest possible date.

BUILDING TRADE OUTLOOK

I share the opinion of those in a position to judge that the building trade is in for a period of prolonged prosperity. During the year under review there has been a continuance of house and flat building where our standard products are used, but what is more gratifying is that this year has marked a resumption of building of a more general nature. Public buildings, factories, hospitals, and schools have shown a marked increase. For us this means full-time employment on what, in point of factory area and personnel, is the largest part of our business—namely, our purpose-made side. The full effect of this increase is only now being felt, and our order-book and prospects generally indicate a larger contribution from this branch of the business in the current year than in the year under review.

The steady increase in the use of metal windows in place of wooden ones is being maintained; it

is on this fact that we build our hopes for the future of this business. That the metal window is incomparably superior to the wooden one is now generally accepted. I would like to put another aspect of "Why metal windows?" It is this: since the imposition of a tariff on foreign steel the raw material of our trade has been almost entirely produced in this country. The raw material of a wooden window, on the other hand, is imported. When steel windows are used British labour is employed not only in the window factory but in coalmines, blast furnaces, and rolling mills. (Hear, hear.) Wooden windows start with a raw material which, by comparison, employs little labour of any kind, and what there is is almost entirely foreign.

SLUM CLEARANCE

Last year I mentioned slum clearance as a further outlet for our products. During the year under review we have done much pioneer work in devising types specially suited for this purpose. Slum clearance has been up to now largely in the planning stage. It is evident, however, that from now on there will be a marked increase in building under this head, and we look forward to a considerable increase in business from this source.

During the year we have completely re-equipped and brought into full production our factory at Maldon. This factory is now contributing to our standard window capacity, so that, as foreshadowed in my speech last year, we are now operating an output of 1,000 windows per day. In previous reports I have referred to our policy of keeping our factories and plant up to concert pitch out of revenue. In the year under review we have maintained this policy to the extent of an expenditure of £29,000.

For the results which have been achieved our thanks are due to all our employees. Not only has more profitable working been achieved and a much increased output, but a system of prompt delivery of all types of standard window, which is a very real factor in the preference given to Crittall products.

I beg to move:—"That the directors' report and statement of accounts for the year ended August 31, 1934, now submitted to this meeting, be and the same are hereby received and adopted."

Mr. W. C. C. BYWATER (joint managing director) seconded the resolution, and after the Chairman had replied to some questions, it was carried unanimously.

The retiring directors, Sir Valentine Crittall, J.P., Mr. W. C. C. Bywater, and Mr. C. S. Freeman, were re-elected, and the auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake, were reappointed.



28. Nov. 1935

The Times (London)

Nr. 47233

## CRITTALL'S BETTER RESULTS

### REORGANIZATION SCHEME

The accounts of the Crittall Manufacturing Company for the year ended August 31 show a marked improvement in results and they are accompanied by the directors' proposals for the financial reconstruction of the company.

The profit, after interest charges, was £183,447, against £79,015 for 1933-34. A provision of £25,000 (against nil) is made for depreciation, leaving a net profit of £158,447, and £67,534 is transferred to reorganization suspense account. With the balance of £81,357 brought forward the amount now available is £172,270. It is proposed, subject to the passing of the reorganization scheme, to pay the arrears of dividend on the Seven per Cent. Preference shares from December 1, 1931, to August 31, 1935, requiring £101,719, leaving £70,551 to be carried forward, subject to expenses of the reorganization scheme.

Interests in subsidiary and associated companies are shown in the balance-sheet at £1,690,068 (including the loan of £499,878 to the Silver End Development Company). The directors in their report state that conditions overseas have improved and the steps taken by them have resulted in the foreign and Colonial subsidiaries and associated companies, with only one exception, having made a profit for the year. There still remain, however, heavy capital depreciations and these it is proposed to deal with under the reorganization scheme.

### NEW PREFERENCE AND DEBENTURE ISSUES

The scheme, which has been formulated after consultation with the committee appointed by the holders of the Six-and-a-Half per Cent. Registered Notes and with Messrs. Peat, Marwick, Mitchell and Co., chartered accountants, provides that the issued share capital of £1,500,000 be reduced by £750,000 by writing down the nominal value of the Ordinary shares from £1 to 5s. each. In order to convert or pay off its £750,000 Six-and-a-Half per Cent. Registered Notes the company is to create and issue 750,000 Five-and-a-Half per Cent. First Cumulative Preference £1 shares, ranking for dividend and repayment of capital, together with a premium of 1s. a share, in priority to the existing Seven per Cent. Cumulative Preference shares. In addition, for the purpose of converting or paying off its £500,000 Six per Cent. Debenture stock and for the other purposes the company is to create £1,000,000 Four-and-a-Half per Cent. Debenture stock, of which £850,000 will be issued in the first instance.

The principal assets which require to be written down are the interests in certain of its subsidiary companies, particularly those in the U.S.A. and Germany, which were acquired with a view to surmounting tariff restrictions and thereby protecting the company's foreign trade. Unfortunately, the world trade depression affected many of these companies adversely before they had effectively established themselves and heavy

losses were incurred. The directors feel confident that these losses will not recur. The board consider that the total amount by which the book values of the assets should be written down, after appropriating a credit balance of £182,500 on depreciation reserve account against the book values of the home fixed assets, is £897,534, which it is proposed to provide as to £750,000 by reduction of capital, and as to the balance out of the sums standing to the credit of general reserve and profit and loss accounts.

It is proposed to issue the 750,000 Five-and-a-Half per Cent. First Cumulative Preference shares publicly, reserving to the noteholders the right to receive an allotment of 100 of the new Preference shares in exchange for every £100 of Notes held. To the extent that note-holders may not exercise this right, the shares will be available for allotment for cash to public applicants, the issue price contemplated being 20s. 6d. a share, but it is intended that preferential consideration in this allotment shall be given to cash applications from debenture-holders and shareholders, and from note-holders who may desire to apply for additional shares.

It is also proposed to issue the £850,000 of new Four-and-a-Half per Cent. Debenture stock publicly, the issue price contemplated being 105 per cent. The existing debenture stockholders will be given the right to convert their holdings into the new stock on a pound for pound basis, receiving an appropriate cash payment in adjustment of the difference of interest to which they would be entitled on the old stock during the prescribed period of notice of redemption. To the extent that the debenture stockholders do not exercise their right of conversion the stock will be available for issue to the public, but it is intended that preferential consideration shall be given to applications from debenture stockholders who may desire to apply for additional stock and from note-holders and shareholders. The £350,000 of this new stock over and above that required for the redemption of the old stock will provide £367,500 cash, of which approximately £150,000 will be applied in paying off the present bank overdraft, and approximately £102,000 to meet the arrears of dividend on the Seven per cent. Cumulative Preference shares. The balance of approximately £115,500 will be available for meeting the expenses of making the new issues of shares and Debenture stock and as additional working capital.



Signatur

Datum

1. Dez. 1935

Kölnische Zeitung  
Nr. 6 0 9 . 1 0

### Durchgreifende Sanierung bei Crittall Fensterrahmen

0,9 Mill. £ Bilanzverluste

7 Gleichzeitig mit der Veröffentlichung eines recht günstigen Jahresabschlusses für das Geschäftsjahr bis 31. August 1935 beantragt die Leitung der Crittall Manufacturing Company, Stahlfensterrahmenfabrik zu Braintree, Hauptsitz London, eine einschneidende und gerade deshalb bis zur Wiedererlangung früherer Rentabilität zurückgestellte Bilanzbereinigung. Insgesamt müssen 0,9 Mill. £ abgeschrieben werden. Zur Verfügung steht die ordentliche Rücklage von 80 000 £, während dem nunmehrigen Gewinnvortrag 67 534 £ zu entnehmen sind. Die 1 Mill. Stammaktien werden von 1 £ auf 5s (4:1) zusammengelegt, wodurch der fehlende Betrag von 0,76 Mill. £ frei wird. Die 0,5 Mill. £ 7proz. Vorzugsaktien werden nur mittelbar betroffen.

Der letztjährige Betriebsgewinn von 0,28 Mill. £ (i. V. 0,18 Mill. £) ist der größte in der Geschichte des Unternehmens. Obwohl er diesmal — abgesehen von 25 000 £ Entwertungsabschreibung — dazu verwandt wird, vertragliche und rückständige Zinsen zu bezahlen und eine Spitze der festgestellten Unterbilanz zu decken, sollte er in Zukunft ausreichen, nicht nur die zwei Reihen Vorzugsaktien zu verzinsen, sondern auch das auf 0,25 Mill. £ zusammengelegte Stammkapital mit einer angemessenen Dividende zu versehen. Der Gewinnüberschuß beläuft sich nämlich vorbehaltlich der Annahme der Sanierungsvorschläge auf über 60% des künftigen Stammkapitals.



*Ass. Coy*

20. Dez. 1935

The Times (London)  
Nr. 47 252-1

## CRITTALL MANUFACTURING COMPANY

CAPITAL REORGANIZATION  
APPROVED

EXTENDED RANGE OF  
PRODUCTS

SIR VALENTINE CRITTALL ON  
THE OUTLOOK

The ELEVENTH ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at the Holborn Restaurant, High Holborn, London, W.C.

SIR VALENTINE CRITTALL, J.P. (the chairman and joint managing director), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen,—This is the first of a series of four meetings of the shareholders of this company to be held to-day. At this, the general meeting, we shall deal with last year's accounts and transact the usual business of a general meeting; at the three subsequent meetings we shall deal with certain special resolutions which have already been circulated.

The remarks I am now about to make will serve for all meetings. At the subsequent meetings I shall confine myself to answering questions and dealing with the resolutions on the agenda.

### IMPROVED RESULTS

This time last year I outlined the task which your board had set itself—a task which is the necessary preliminary to the resumption of the payment of dividends. I spoke of a capital reorganization, which would take care of all losses and depreciations and at the same time relieve us of the burden of high cost loan indebtedness. An essential condition was the continuation of profitable workings. I told you then that the first three months' working, then just ended, of the year now under review, made us confident that we should make a considerably better showing for the full year.

You will agree, I am sure, that the accounts now before you are a complete justification of that confidence, and I believe that the scheme of capital reorganization outlined in the circular which you have received fulfils to the letter the forecast of which I have just reminded you. Before I refer in detail to the scheme I propose to make some observations on the trading of the past year, and, so far as I can, to give you some outline of the plans and prospects of your company.

### AN ANALYSIS OF THE PROFITS

An analysis of the profit figure of £280,000 shows that profits from our investments at home account for approximately £18,000, and from our investments abroad approximately £11,000. I am glad to be able to inform you that with the one exception of China, all our overseas companies made a profit last year, albeit a small one. This leaves as the profit of the home company £251,000. For your information as well as that of our customers and competitors, I would observe that in making this profit we have maintained a policy of low competitive prices, which are, in our opinion, an essential factor for the expansion of the metal-window industry.

I am confident that metal windows represent better value for money than any material used in building construction. The steady increase in their use in preference to wooden windows is a justification of the policy of low prices quite apart from their generally accepted superiority on all the essentials of a good window. A proper perspective of last year's result is that it was achieved by the collective effort of 3,600 workers, who between them manufactured nearly 2,000,000 windows.

### NEW LINE OF MANUFACTURE

We are fully alive to the fact that last year's result was achieved in a period of building trade prosperity. I will not venture to prophesy how long the present activity in building will continue. Certain it is that there is as yet no sign of falling off—in fact, our own returns for the first three months of this year show a substantial increase over the corresponding period of the year under review. We hold the view that the increased use of steel windows in preference to wood will enable our business to be maintained at a substantial and profitable level in face of a decrease in building activity. Despite this belief we are engaged in a constant scrutiny of our methods and products.

We maintain a research department not only with the idea of holding our pioneer position in the window trade, but also of introducing products which lend themselves to our manufacturing methods. For instance, Crittall greenhouses for small gardens are already well launched, and we expect in the near future to market other building products for which we believe there is a profitable demand.

### INCREASED USE OF METAL WINDOWS

The increased use of metal windows has made it necessary for us to provide for a larger supply of steel, particularly in view of the tariff on Continental supplies. With this object in view, we have, in conjunction with Messrs. Dorman Long and Co., our partners in Darlington Rolling Mills, joined forces with the established firm of F. R. Simpson and Co., of Oldbury. Together we have purchased the rolling mills of J. and W. Marshall and Co., of Walsall. The new company, operating under the name of Darlington and Simpson Rolling Mills, Limited, will effect considerable economies in working and saving in transport. Besides catering for the requirements of the window industry that company is meeting a rapidly increasing demand for light steel shapes in the motor-car industry and many other trades.

### OBJECT OF THE CAPITAL REORGANIZATION

I come now to the scheme of capital reorganization. We attempted to give full details in the circular which was sent to you all, and there is comparatively little I can usefully add. As was pointed out, the main object of the scheme is to deal with the capital depreciation of certain of our capital assets and particularly of our investments in overseas companies. We propose that our investment in Germany should be reduced by over 40 per cent., while our investment in the original United States subsidiary company is reduced to a nominal figure. Together these two countries account for £659,442 of the total of £897,534. Our experience overseas, coupled with the general uncertainty as to world conditions, warns me against optimism in forecasting results from our foreign investments, but I am able to assure you that substantial losses in the future are extremely unlikely and that the immediate prospects are that the contribution to the company's earnings from overseas is likely to be substantially greater.

### SILVER END DEVELOPMENT COMPANY

We are proposing to write down our investment in the Silver End Development Company by £150,000. The lower interest-bearing Debentures and Preference shares, which are being substituted for the existing Debentures, Notes, and bank overdraft, effect a reduction in fixed charges of approximately £9,000, a very material advantage to the shareholders, equivalent, in fact, to nearly 4 per cent. on the reduced Ordinary capital.

I think, however, that the outstanding feature of the scheme is that we are paying the arrears of Preference dividend in full. It is a source of gratification to the board that the year's results are such as to enable us to make this payment and thereby remove at once the stigma of a default and the obstacle to resumption of payment of Ordinary dividend. A study of the Press comments convinces me that our action in clearing up the Preference position is mainly responsible for the good impression created by the scheme, while the favourable effect on the price of the Ordinary shares must prove to their holders that this action is also to their very material advantage.

### CONFIDENCE IN THE FUTURE

In previous years I have concluded my remarks by thanking our staff for the services they have rendered. I need not remind the members of this company that the last four or five years, besides being an unprofitable time for them as shareholders, has been also a very trying time for everyone concerned with the running of this business. Last year I regarded as the turn of the tide, this year as the justification for the



The Economist (London)

Nr. 4817 - -

★ ★ ★  
**Crittall Manufacturing Company.** — On Thursday the capital reorganisation scheme submitted with the recent accounts was approved by the preference and ordinary shareholders. Although points were raised at the meetings regarding the specific provisions for writing down the assets, the decision showed the general approval of a scheme which, in essentials, was well devised. The way may now be cleared for the shareholders to participate in the recent recovery of the business, possibly during the current year. Profits, as the following table shows, have expanded from approximately £93,636 in 1932-33 to the record figure of £280,504 in the latest year:—

	Years to August 31.		
	1933	1934	1935
	£	£	£
Total profit (approx. 1933 & 1934)	93,636	202,595	317,370
Depreciation (approx. 1933 & 1934)	26,000	29,000	61,866
Expenses and fees .....	39,654	19,330	18,307
Debenture and note interest .....	75,000	78,750	78,750
Earned for dividends .....	Dr. 47,018	75,515	158,447
Preference dividend .....	Nil	Nil	101,719
General reserve .....	Dr. 45,163	Nil	67,534†

Carried forward .....

† After crediting income tax adjustments of £2,000 and £3,500 respectively.

‡ Transfer to reorganisation suspense account.

The net earnings have covered the payment of all preference arrears since December, 1931, and after transferring £67,534 for the reorganisation scheme the credit balance is £70,551. The scheme, in its essentials, maintains the rights of the preference shareholders and puts the entirely nominal burden of writing down asset values on the equity holders. Some £750,000 will be provided by reducing the £1 ordinary shares to 5s., which, together with £80,000 from general reserve and the allocation from the latest profits, will be applied in reducing the assets by £897,534, of which no less than £609,150 is for overseas subsidiaries. Two new issues are contemplated. The first entails £850,000 4½ per cent. debenture stock, for converting the existing 6 per cent. issue (£500,000), repaying the bank overdraft (£150,000 approximately), meeting the preference dividends, and providing some £115,500 for working capital. Secondly, the 6½ per cent. notes are, in effect, to be converted by a new issue of 5½ per cent. first preference shares. These operations will entail an increased total interest charge of a mere £750 per annum, and the existing preference shareholders will enjoy identical rights under

the new regime as before, with the working capital strengthened to meet expanding business requirements. Export business is improving and few would care to set an immediate term to the building boom. The ordinary shares have been active since the publication of the proposals and at a current price of 27s. 10½d. the ordinary shares offer a prospective earnings yield of about 9½ per cent.

★ ★ ★



Signatur

A 22 C 27.

Datum 2. Dez. 1936

The Times (London)

Nr. 47547

**Crittall Ordinary Dividend**

The accounts of the Crittall Manufacturing Company, which are made up to August 31, reveal a marked improvement in the company's position since they reflect the capital reduction scheme as well as the conversion of the Six per Cent. Debentures and Six-and-a-Half per Cent. Notes and the repayment of the bank overdraft. In place of a bank overdraft of £195,256 the latest balance-sheet shows a credit balance of £58,020, while the amounts due by subsidiaries have been reduced from £765,000 to £557,000 and holdings in subsidiaries from £925,000 to £336,000. Trading profits show a slight increase, their total (including a provision of £9,500 for income-tax not required) being £291,409, against £280,212. A year ago over £100,000 was absorbed in payment of Preference dividend arrears, and, these having been dealt with, the directors are now able to pay a dividend of 20 per cent. on the reduced Ordinary capital while transferring £65,466 to the general reserve. By this addition the reserve, from which the reorganization expenses were deducted, is restored to its previous total of £80,000. The company's heaviest losses were those incurred on its foreign subsidiaries, and it is therefore encouraging to learn from the report that conditions oversea continue to improve, and that all the foreign and Colonial subsidiaries made a profit.



Signatur

Datum

11. Dez. 1936

The Times (London)  
Nr. 47555

1934/35 mrg.

## CRITTALL MANUFACTURING COMPANY

A SUCCESSFUL YEAR

DIVIDEND OF 20%

### SIR VALENTINE CRITTALL'S REVIEW

The TWELFTH ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at the Holborn Restaurant, London, W.C.

SIR VALENTINE CRITTALL, J.P. (chairman and managing director), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen,—As you are aware, the capital reorganization scheme passed at the meeting held on December 19, 1935, duly received the approval of the Court on January 16, 1936. Effect has been given to these arrangements in the balance-sheet submitted to you, and the hope expressed at our last meeting that this necessary preliminary would result in the resumption of payments of dividend upon all classes of share capital has been realized. It will be appreciated that the reorganization scheme took place during the course of the year and its full benefit by reduction of bank and fixed interest charges has not been fully reflected in the accounts under review. It is anticipated that this will amount to a further £10,000 in a full year.

You are aware that the company's profits referred to at last year's meeting were a record in the history of the company and were achieved in a period of building trade prosperity. I am happy to inform you that these profitable trading conditions continued during the whole of the year under review and, but for considerable increase in manufacturing costs both of material and labour, our trading profits would have shown a more substantial increase. The profit shown by the account is £292,000 as compared with £280,000 for the year ending August 31, 1935. An analysis of

the profit shows an income of £12,000 received from our home investments and £25,000 received from our overseas investments, leaving a balance of £255,000 on our home trading.

#### INCREASED HOME TRADING PROFITS

Notwithstanding the increased costs above referred to, home trading profits showed an increase of £4,000 as compared with last year, and I am pleased to be able to report that the results of the current year to date, both at home and abroad, are equally satisfactory. Moreover, considerable improvements of a technical character have been embodied in your company's latest designs which, it is hoped, will lead to still greater demand for your company's products.

The results of the trading in South Africa, where we are operating in partnership with Messrs. Henry Hope and Sons, Ltd., have been very satisfactory and your directors therefore felt justified in exercising the option to increase the investment in the South African company by £15,000.

The policy of keeping the whole of the plant and machinery in a state of first-class efficiency has been pursued, and so the expenditure in this respect is considerably more than in previous years. At the same time adequate depreciation has been provided.

You have had an opportunity of considering the accounts, and I do not think I need amplify the information contained therein and in the directors' report. It is proposed to reinstate the reserve account at the figure of £80,000, at which it stood before effect was given to the reorganization scheme. This, I feel sure, will meet with your unanimous approval—(hear, hear)—and that you will agree it is only prudent to build up reserves whenever the state of trade makes it possible to do so.

#### POSITION OF THE INDUSTRY

In my speech at the last annual general meeting I referred briefly to the cooperation which has been set up within the metal window industry. I would like to deal with this rather more fully to-day, not only from the point of view of the shareholders of this company, but also from its general industrial and social aspect. The cooperation which has been developed through the industry is one based on the industry's realization of the necessity of progress. It is a specific rationalization developed from within the industry, not imposed by the Government as has been the case with so many industries, and in its application the interests of all parties affected, whether consuming, producing, or financing, have been safeguarded.

The object of the cooperation is not only the maintenance but also the improvement of the quality of the products of the industry, and by improving the economic production, marketing, and distribution of these products to assure consumers of first-class products at a reasonable price. I can say without any fear of contradiction that the metal window to-day is much greater value than it was in those days of unlimited competition before the industry agreed to cooperate.

It has been my custom in previous years to

invite from you a message of thanks to the staff for the services they have rendered. I need not remind the members of the company that the last four or five years, besides being an unprofitable time for them as shareholders, has also been a very trying time for all concerned with the running of this business. Last year I regarded as the turning of the tide, this year as the justification of the confidence I have always expressed in the future of this business, and, because of the difficult time through which we have passed to arrive at this successful fulfilment, I wish to convey in the fullest possible degree your very hearty thanks to the staff which has done so much to bring about this result. (Hear, hear.)

#### STAFF PENSION SCHEME

At the same time I am proposing to inaugurate a contributory scheme to provide benefits for the staff on retirement or for their dependents in the event of death in the company's service, for which purpose I am asking you to set aside the sum of £10,000 from the year's profits to a staff superannuation fund. The practice of inaugurating a pension or provident scheme to which both employer and employee contribute is a very common one nowadays and has much to commend it. It helps to attract to, and retain in, the employer's service a good type of employee and to remove any doubts or anxieties in the latter's mind as to his future or that of his dependents.

It also removes a possible source of mental stress which might diminish his efficiency and ensures a certain level of saving on the part of the employee; it relieves the directors of the difficult and sometimes invidious task of deciding what financial assistance should be given, and, finally, it enables the directors to lay down a compulsory retiring age without imposing any hardship on the individual. Your board has had such a scheme in mind for many years past and I have every confidence that adoption of this scheme can but result in an even more loyal and efficient service to the company.

#### NEED FOR ADEQUATE RESERVES

In asking you to approve the dividend recommended in the report I would again stress the motives which have guided the board in the matter of the building of adequate reserves. Though I hold strongly that the metal window industry as to-day coordinated is far better prepared, both by its efficiency and by the increased proportion of metal windows used, to withstand a falling off in building trade activity, it is a fact that the results under review were obtained in a period of building prosperity.

The reinstatement of the reserve to the figure of that of last year is, I feel, a first

wenden.



consideration under these conditions, and I would therefore ask your approval of the appropriations recommended in the report. I now beg to move the adoption of the report and accounts. (Applause.)

MR. TROUNCER'S REMARKS

Mr. H. M. TROUNCER:—Mr. Chairman, ladies and gentlemen,—I appreciate the compliment of being asked to second the adoption of the report and accounts. I came here as chairman of a noteholders' committee; I joined the board a stranger and have been made welcome. It is a great pleasure to me that after passing through a difficult time we now have more confidence in the future. I do not think there is much that I can add to the very clear statement which the chairman has made, but perhaps I may allude to the drop in the value of the shares which took place when the report was announced. That arises presumably from two causes—first, that the amount of the net profits was disappointing, and, secondly, because the distribution of profits was a smaller proportion of those profits than had been anticipated.

As to the first point, I entirely disagree. I think that the net profits, taking everything into consideration, were very satisfactory, and it must be remembered that after any reorganization scheme a certain amount of cleaning up is evident in the accounts. With regard to the second point, I am not inclined to pay very much attention to it. The chairman has clearly set out the reasons for rebuilding the reserve which we were obliged to use in the reorganization scheme; we are unanimous in supporting him, and I think every prudent man would do the same. (Hear, hear.) The chairman has referred very rightly to the fact that we have been carrying on in a period of prosperity for the building trade and may have to face a reverse. It is therefore doubly necessary to put aside such amounts to reserve as we can.

There is one thing which I think it would not be improper for me to mention, and that is that Crittall's are not entirely dependent on the building of ordinary houses. If things should get worse in the building trade, I think Crittall's may be helped by building in connexion with slum clearance, and that is a factor which I hope will be a potent one in the future. (Hear, hear.)

After the Chairman had replied to questions, the resolution was carried *nem. con.*

The appointment of Mr. H. A. Holmes to the board was confirmed; the retiring directors, Mr. W. F. Crittall and Mr. Robert Small, were re-elected; the auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake, were re-appointed, and the proceedings terminated with a vote of thanks to the chairman, directors, and staff.



The Manchester Guardian

Nr. 27 885

**The Crittall Prospectuses**

Prospectuses of the issue of £850,000 4½ per cent first mortgage debenture stock and £750,000 5½ per cent first cumulative preference share capital of the Crittall Manufacturing Company will be obtainable to-morrow. Applications will be received at 105 per cent for the stock and at 20s. 6d. per £1 share for the shares. The stock will be redeemed in 1981 by means of a cumulative sinking fund of 1 per cent per annum beginning in 1939 at 105 or at the option of the company in 1946 and after at 107½. On the basis of the profits for last year three times the aggregate sum required to serve the new stock and shares will be available.

On Tuesday the lists will open for the issue of 135,000 6 per cent cumulative participating preference shares of £1 each at par and 135,000 ordinary 5s. shares at 6s. per share of Sound City (Films), Ltd. The company is already established and earning profits, and net earnings for the year ending May 31, 1936, are estimated at not less than £52,000. This figure after provision for the fixed 6 per cent preference dividend would leave a balance sufficient to pay a participating dividend of 15 per cent, and over 20 per cent subject to any reserve or other appropriations on the ordinary shares.



Nr. .... vom 27 886 -

A copy of this Prospectus has been delivered to the Registrar of Companies for registration. Application will be made to the Committee of the Stock Exchange, London, for permission to deal in and in due course for official quotations of the Debenture Stock and Preference Shares now offered. The Lists for Cash Applications will close on or before Friday the 31st January, 1936, and for Conversion Acceptances will close on Saturday the 1st February, 1936.

## CRITTALL MANUFACTURING COMPANY

LIMITED.

(Incorporated under the Companies Acts, 1908-1917.)

### SHARE CAPITAL:

Authorised.	Issued or to be Issued.
£750,000 in 5% per Cent First Cumulative Preference Shares of £1 each	£750,000
£500,000 in 7 per Cent Second Cumulative Preference Shares of £1 each	£500,000
£250,000 in 1,000,000 Ordinary Shares of 8s. each	£250,000
<b>£1,500,000</b>	<b>£1,500,000</b>

### LOAN CAPITAL:

£1,000,000 4% per Cent First Mortgage Debenture Stock	£850,000
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There are at present outstanding £500,000 6 per Cent Debenture Stock and £750,000 6½ per Cent Registered Notes. Any of such Debenture Stock or Notes not exchanged on the terms set out hereunder will be repaid on 24th July, 1936, and 1st March, 1936, respectively.

**Issue of £850,000 4½ per Cent First Mortgage Debenture Stock at 105 per Cent, and 750,000 5½ per Cent First Cumulative Preference Shares of £1 each at 20s. 6d. per Share.**

Registered holders of the outstanding 6 per Cent Debenture Stock have the right up to and including the first postal delivery on 1st February, 1936, to exchange their present holdings in whole or in part for an equal nominal amount of the new Stock. Holders exercising this right will on allotment of the new Stock receive a cash payment of £1 6s. 10d. per £100 nominal amount of Stock exchanged, representing the difference between interest (less tax) at 6 per cent per annum on their existing Stock from the 1st December, 1935, to the 24th July, 1936, and interest (less tax) at 4½ per cent per annum on their new Stock calculated from the 1st February, 1936, to the 24th July, 1936.

Registered holders of the outstanding 6½ per Cent Registered Notes have the right up to and including the first postal delivery on 1st February, 1936, to exchange their present holdings in whole or in part for an equal nominal amount of the 5½ per Cent First Cumulative Preference Shares now being issued. Holders exercising this right will on allotment of such Shares receive a cash payment of £2 3s. 8d. per £100 nominal amount of Notes exchanged representing the difference between interest (less tax) at 6½ per cent per annum on their Notes from the 1st September, 1935, to the 1st March, 1936, and dividend (less tax) at 5½ per cent per annum upon such Shares calculated from the 1st February, 1936, to the 1st March, 1936.

The Debenture Stock will be secured by a Trust Deed in favour of Sir William Hargreaves Leese, Baronet, and Sir William Henry Peat, K.B.E., as Trustees, constituting the same (subject to the existing 6 per Cent Debenture Stock until repaid) a first specific charge upon the present freehold and leasehold properties (including fixed plant and machinery) of the Company and a first floating charge upon the undertaking and all the other assets of the Company, present and future, including uncalled capital.

The Stock now being issued will be redeemed by means of a Cumulative Sinking Fund of 1 per cent per annum, commencing in the year 1939, to be applied in purchasing Stock in the market or elsewhere at or below 105 per cent (exclusive of accrued interest but inclusive of the expenses of purchase) or failing such purchases by drawings at 105 per cent, the first redemption to be effected on or before the 1st January, 1940. The Company will have the right to purchase stock on the market or elsewhere at any time at or under 105 per cent (exclusive of accrued interest but inclusive of expenses of purchase) and upon its cancelling Stock so purchased, to treat such purchases as purchases effected in anticipation of its sinking fund obligation in respect of the year of purchase or any subsequent year, and as reducing such obligation by £105 in respect of every £100 Stock so purchased and cancelled. In the event of any part of the balance of £150,000 of Stock being issued an appropriate increase will be made in the Sinking Fund so as to ensure that the whole of the Stock shall be redeemed out of that fund not later than the 1st January, 1981.

The Company will have power to redeem the Stock or any part thereof (to be selected by drawings) by giving six months' notice expiring on any date after the 1st January, 1946, at 107½ per cent. Any Stock not previously redeemed will be paid off at 105 per cent on the 1st January, 1981.

The Stock will be registered and transferable in multiples of £1.

Interest will be paid half-yearly on the 1st January and 1st July, the first payment to be made on the 1st July, 1936, and to be calculated in the case of Stock issued in respect of cash applications on the amounts payable on application and allotment (excluding premium) as from the 1st February, 1936, and on the balance of the issue price as from the 15th day of June, 1936, and in the case of Stock issued in respect of conversion acceptances on the full nominal amount thereof from the 1st February, 1936.

The 5½ per Cent First Cumulative Preference Shares are entitled out of the profits of the Company determined to be distributed to a fixed Cumulative Preferential Dividend at the rate of 5½ per cent per annum on the capital paid up or credited as paid up thereon in priority to the 7 per Cent Second Cumulative Preference Shares, and subject thereto the 7 per Cent Second Cumulative Preference Shares are entitled to a fixed Cumulative Preferential Dividend at the rate of 7 per cent per annum on the capital paid up or credited as paid up thereon in priority to the Ordinary Shares. On a winding up the 5½ per Cent First Cumulative Preference Shares rank as regards capital and a premium of 1s. per share and all arrears of dividend thereon (whether earned or declared or not) to the commencement of the winding up in priority to the 7 per Cent Second Cumulative Preference Shares and subject thereto the 7 per Cent Second Cumulative Preference Shares rank as regards return of capital and arrears of dividend thereon (whether earned or declared or not) to the commencement of the winding up in priority to the Ordinary Shares. The Ordinary Shares confer the right to the balance of the profits determined to be distributed and to the balance of the assets in a winding up.

The Articles of Association provide (a) that no Preference Shares ranking for dividend or repayment of capital in priority to or pari passu with the 5½ per Cent First Cumulative Preference Shares shall be created without the sanction of an Extraordinary Resolution passed at a meeting of the holders of such shares and (b) that no Debentures or Debenture Stock (other than Debentures or Debenture Stock to the Company's Bankers to secure overdrafts, advances, or loans from such Bankers) shall be created without the sanction of Extraordinary Resolutions passed at separate meetings of the holders of the 5½ per Cent First Cumulative Preference Shares and 7 per Cent Second Cumulative Preference Shares if the creation of such Debentures or Debenture Stock shall cause the principal amount for the time being owing by the Company on its Debentures or Debenture Stock to exceed £1,000,000, exclusive of the amount owing in respect of the £750,000 6½ per Cent Registered Notes of the Company to be repaid as aforesaid.

The Articles of Association further provide that the Board of Directors shall not without the sanction of a General Meeting of the Company borrow any sum of money which would make the amount borrowed by the Company and outstanding exceed the nominal capital of the Company.

It is proposed to pay the dividend on the 5½ per Cent First Cumulative Preference Shares half-yearly on the 28th February and 31st August in each year, the first payment to be made on the 31st August, 1936, and to be calculated in respect of both cash and conversion applications from the 1st February, 1936.

THE CHARTERHOUSE INVESTMENT TRUST LIMITED, 30-31, St. Swithin's Lane, London, E.C. 4, and THE MIDLAND TRUST LIMITED, West End Chambers, Broad Street Corner, Birmingham, have been authorised by the Company to receive applications for the above-mentioned 4½ per Cent First Mortgage Debenture Stock and 5½ per Cent First Cumulative Preference Shares at the above prices through the under-mentioned Bankers:—BARCLAYS BANK LIMITED, New Issue Department, 54, Lombard Street, London, E.C. 3; LLOYDS BANK LIMITED, 53, Threadneedle Street, London, E.C. 2; MIDLAND BANK LIMITED, Poultry, London, E.C. 2. PAYABLE AS FOLLOWS:—

	Debenture Stock.	Preference Shares.
On Application	£10 per cent	2s. 0d. per Share
On Allotment	£45 " " (including premium)	18s. 6d. " " (including 6d. premium)
On 15th June, 1936	£50 " "	

£105 per cent 20s. 6d. per Share  
Preferential consideration on Allotment will be given to Cash Applications for Debenture Stock and/or Preference Shares from Debenture-stock Holders, Shareholders, and Noteholders of the Company if made on the Special Form(s) provided.

### PROSPECTUS

**HISTORY AND BUSINESS.**—The Company, which was incorporated in 1924, acquired an old-established business founded in 1859 by the father of the present Chairman and Managing Director, and is now the largest concern in the world engaged in the manufacture of Metal Windows and Doors. The growth of the Company since its incorporation can be gauged from the fact that the value of its output is now nearly five times that of 1924.

In addition to Metal Windows and Doors, the Company also manufactures skylights, light constructional steel, ornamental bronze work and through its subsidiary, Crittall Greenhouses, Limited, is developing a profitable business in the manufacture of portable metal greenhouses.

The trend of modern building is towards the more extensive use of metal windows in preference to wooden windows, and the consequent increase in sales, both in this country and overseas, of these and the other products mentioned should enable the Company to maintain its future profits at a level which will provide an ample margin over the amount required to pay Debenture Interest, Sinking Fund, and Preference Dividends.



It is the policy of the Directors to market the Company's products at low competitive prices, and its metal windows are to-day being profitably sold at rates which are cheaper to the user than those prevailing for wooden types.

Adequate supplies of raw material are ensured through the Company's shareholding in and working arrangement with Darlington and Simpson Rolling Mills, Limited, which is the largest supplier in this country of bar materials for steel window frames.

The Company owns factories and depots at Braintree, Witham, Maldon, Kensington, Leicester, Manchester, Bristol, Poole, and Slough. The main factories, which are freehold, are fully equipped with the standard metal windows in which the Company specialises are produced at Witham, where adjoining land is available for extension. This factory is equipped with the most up-to-date machinery for the mass production of this product now so extensively used in housing and slum clearance schemes.

The Company controls subsidiary companies in Germany and South Africa and has Associated Companies in U.S.A., Australia, New Zealand, China, India, and the Irish Free State and agencies and representatives in various other countries.

The Silver End Development Company, Ltd., referred to in the Statement of Assets below, is a subsidiary owning a freehold housing estate for the Company's employees, together with factories, power station, electric lighting, and water supply.

**ASSETS.**—The Company has recently effected a reorganisation and reduction of capital, whereby certain amount written off against capital and reserves is £1,080,034, of which £659,442 was appropriated to writing down the investments in the U.S.A. and German Subsidiaries which were acquired shortly before, and had not established themselves when the recent world depression commenced, and for this reason were specially affected thereby.

The following statement shows the total net assets of the Company available as cover for the present issues of 4½ per cent First Mortgage Debenture Stock and 5½ per cent First Cumulative Preference Shares. The figures are based on the Balance-sheet at 31st August, 1935, adjusted to give effect to the writings-off provided for in the reorganisation scheme approved by the Shareholders, and as regards the reduction of other liabilities to be discharged out of the proceeds of these issues:—

Land and Buildings, Plant, Machinery, Fixtures, Tools, Motor-cars, Lorries, Patents, Patterns, &c.	£180,309	£1,178,998
Shares in Subsidiary Companies	155,148	
Shares in Associated Companies		
Loan to Silver End Development Company, Limited		315,457
Amounts due by other Subsidiary Companies		350,000
Stock in Hand		194,173
Sundry Debtors and Debit Balances, less Reserve for Doubtful Debts		331,400
Cash at Bank, in Hand, and in Transit		326,942
		1,452
Deduct Sundry Creditors, Accrued Interest, and Credit Balances ...		£2,688,422
		332,536

No account is taken, in the above statement, of profits earned since 31st August, 1935. £2,365,886

From the above statement it will be seen that the net assets of the Company are equivalent to more than 2½ times the amount of the present issue of 4½ per cent First Mortgage Debenture Stock (including the premium on redemption) and after deduction thereof to nearly twice the amount of the present issue of 5½ per cent First Cumulative Preference Shares.

**PROFITS.**—The following Report has been received from Messrs. Peat, Marwick, Mitchell, and Co., Messrs. Kemp, Chatteris, Nichols, Sendell, and Co., and Messrs. Luckin and Sheldrake, Chartered Accountants, the Company's Auditors:—

**TO THE DIRECTORS, THE CRITALL MANUFACTURING CO. LTD.** 17th January, 1936.  
Limited, for the three years ended 31st August, 1935 (being the last date to which the accounts of Subsidiary and Associated Companies, but excluding profits or losses of Overseas Subsidiary and income tax, depreciation, and interest on debenture stock, registered notes, bank and other loans, and after making such adjustments as we consider necessary).

We have also examined the audited accounts of your Overseas Subsidiary and Associated Companies for their financial periods ended within the three years to 31st August, 1935, and report that the proportion applicable to your Company's shareholdings of the combined profits or losses as shown by these accounts (foreign currencies being converted at the rates ruling at the end of the various financial periods) were as stated in Column 2 below:—

Year	Column 1	Column 2	Total
1933	£20,132	Loss £45,600	£4,532
1934	183,868	Profit 26,912	156,956
1935	276,415	Profit 16,194	292,609

No dividends have been paid on any class of shares in respect of the above periods.—Yours faithfully,  
KEMP, CHATTERIS, NICHOLS, SENDELL, & CO.,  
LUCKIN & SHELDRAKE,  
PEAT, MARWICK, MITCHELL, & CO.,  
Chartered Accountants.

In the years immediately prior to those referred to in the above report heavy losses were sustained by certain of the Overseas Companies, particularly those in the U.S.A. and Germany. As above mentioned, those losses have been provided for in the amounts written off under the reorganisation and reduction of capital; the likelihood of further losses in foreign Companies has been minimised, and the prospects are that the income from such Companies will increase.

**Interest and Sinking Fund on the £850,000 Debenture Stock and Dividend on the 750,000 5½ per cent Preference Shares** together call for £90,468 gross per annum. The average of the past three years' profits, which were arrived at after making substantial provision for repairs and renewals, amounts, after allowing a sum of £25,000 per annum for depreciation, to £126,366; whilst last year's profit amounts on the same basis to £267,609, and is equivalent to nearly three times the aggregate sum required to serve the total loan and share capital now being issued.

**PROSPECTS.**—Sales for the first four months of the current financial year show a substantial increase over those for the corresponding period of the previous year, and the Directors are of opinion that the Company's business should be maintained at a profitable level even in the face of a decrease in building activity, of which, however, they see no sign at present.

**PROCEEDS OF ISSUES.**—The present issue of 4½ per cent First Mortgage Debenture Stock will provide for the conversion or redemption of the existing 6 per cent Debenture Stock, and produce in addition a sum of £367,500 cash of which approximately £252,000 will be applied in paying off the present Bank overdraft (now secured by a Second Debenture) and the arrears of Dividends on the 7 per cent Cumulative Preference Shares, the latter amounting to approximately £102,000. The balance, approximately £115,500, will be available for meeting the expenses of making the present issues and will provide for the exchange or repayment of the existing 5½ per cent First Cumulative Preference Shares.

**STATUTORY INFORMATION.**—In the opinion of the Directors, no amount is required to be raised by the present issue of Preference Shares to provide for any of the matters referred to in paragraph 5 of Part I. of the Fourth Schedule to the Companies Act, 1929. The underwriting commission of £35,750 and the fee of £30,000 payable under Contract No. 1 hereunder will be provided out of the proceeds of the issue of the £850,000 First Mortgage Debenture Stock.

The following Contracts, which are or may be material, have been entered into within the last two years:—  
(1) Dated November 27, 1935, between the Company and The Charterhouse Investment Trust, Limited, and The Midland Trust, Limited, under which the said Trust Companies conditionally agreed to underwrite the whole of the present issue of Debenture Stock and First Cumulative Preference Shares for an underwriting commission of 2 per cent on the nominal amount of the Debenture Stock and 6d. per share on the Preference Shares. The Agreement also provides that the Trusts shall pay the costs of printing, advertising, and distributing the Prospectus and other documents relating to the issue, fees to brokers and bankers, brokerage, allotment expenses, and their own solicitors' charges in consideration of the payment of the sum of £30,000 within seven days after allotment.

(2) Underwriting letter dated January 20, 1936, entered into pursuant to Contract No. 1 addressed by The Charterhouse Investment Trust, Limited, and The Midland Trust, Limited, to and accepted by the Company on the same date.

(3) Dated June 6, 1935, between Dorman, Long, and Company, Limited, National Provincial Bank, George Crittall as Trustee for Darlington and Simpson Rolling Mills, Limited, and Sir Valentine formed, and dated July 31, 1935, between Dorman, Long, and Company, Limited, the Company, F. F. Simpson, F. D. Simpson, A. Jacob, J. W. D. Melhuish, and H. Cavenagh, both relating to the formation of Darlington and Simpson Rolling Mills, Limited.

(4) Dated June 18, 1935, between the Company and Darlington and Simpson Rolling Mills, Limited, relating to the supply of materials by the latter Company to the Company.

(5) Dated January 20, 1936, between Sir W. H. Lees, Bart., and Sir W. H. Peat, K.B.E., and the Company, and of the same date between the British Law Insurance Company, Limited, and the Company, relating to the application of the proceeds of these issues.

The Articles of Association provide that, at General Meetings of the Company, every member present in person shall have one vote on a show of hands, and on a poll, every member present in person or by proxy shall have one vote for every share held by him. Provided that neither the First Preference Shares in person or by proxy at any General Meeting nor to receive notice of any such meeting unless either (a) up or sanctioning the sale of the undertaking or altering the Articles of Association of the Company in any manner directly affecting the rights and privileges attached to those respective classes of the Company or (b) at the date of the notice concerning the meeting the fixed cumulative preferential dividend on the First Preference Shares or the Second Preference Shares (as the case may be) shall be in arrear for more than twelve calendar months and so that for this purpose the dividends on the 28th day of February and 31st day of August in any year or on such other half-yearly dates as the Board may from time to time determine. **GENERAL INFORMATION.**—If no allotment is made in respect of any cash application the application money will be returned in full, and the amount of Debenture Stock or the number of Shares allotted is less than that applied for, the balance will be credited towards the amount payable on allotment, and any excess will be returned to the applicant.

Failure to pay any instalment when due on the Debenture Stock or Preference Shares allotted will render the allotment liable to cancellation and all previous payments liable to forfeiture.

Interest at the rate of 6 per cent per annum will be chargeable on instalments in arrear.

Share Certificates and Debenture Stock Certificates will be ready for issue in exchange for fully paid Allotment Letters on 30th April, 1936, and 31st July, 1936, respectively.

A copy of the Memorandum and Articles of Association of the Company, a draft (subject to revision) of the Trust Deed for securing the Debenture Stock now being issued, copies of the Contract above referred to, and the original of the above Accountants' Report can be seen at the offices of Messrs. Freshfields, Leese, and Munns, New Bank Buildings, 31, Old Jewry, London, E.C. 2, on any day during business hours until the expiration of seven days after the opening of the Cash and Subscription Lists.

A brokerage of ¼ per cent in respect of the Debenture Stock and 1½d. per share in respect of the Preference Shares will be paid upon allotments made in respect of both cash and conversion applications bearing the stamp of a broker, banker, or other approved agent.

Payment in full for Debenture Stock may be made on allotment or any time thereafter prior to the due date, but no interest will be paid nor discount allowed in respect of such prepayments.

Applications for Debenture Stock and/or Preference Shares should be made on the appropriate accompanying form(s) and lodged with Barclays Bank, Limited (New Issue Department), 54, Lombard Street, London, E.C. 3, or Lloyds Bank, Limited, 39, Threadneedle Street, London, E.C. 2, or Midland Bank, Limited, Paulsey, London, E.C. 2, or any of their Branches, together with remittance(s) for the amount(s) payable on application.

Copies of this Prospectus and Application Forms can be obtained from the Bankers, Brokers, and Solicitors; from the Registered Office of the Company; from the Midland Trust, Limited, West End Chambers, Broad Street, Corner, Birmingham; and from the Charterhouse Investment Trust, Limited, 30/31, St. Swithin's Lane, London, E.C. 4.

Continued at foot of next column



**TRUSTEES FOR THE DEBENTURE STOCK HOLDERS:**  
**Sir WILLIAM HARGREAVES LEESE, Bart.**  
**Sir VALENTINE GEORGE CRITTALL, J.P.,** Chairman and Managing Director.  
**WALTER FRANCIS CRITTALL, J.P.,** Managing Director.  
**CHARLES SANDFORD FREEMAN, Esq.,** FREDERICK PICKERING WALKER.  
**CECIL ERNEST ROGERS, Esq.,** CHARLES FREDERICK LIVERMORE.  
**HAROLD MOLTKE TROUNDER, Esq.,** ROBERT SMALL.  
**MORACE ANDREW HOLMES.**

**BANKERS TO THE COMPANY:** BARCLAYS BANK, LIMITED, 54, Lombard Street, London, E.C. 3.  
**LAING & CRUICKSHANK, 6, Austin Friars, E.C. 2.** **BROKERS:** READ & BRIGSTOCK, 58, Gresham Street, E.C. 2.  
**FYSHE & HORTON, 5, Temple Row West, Birmingham.**

**SOLICITORS:** To the Company: FRESHFIELDS, LEESE, & MUNDY, To the Trustees: CLIFFORD-TURNER & CO., 11, Old Jewry, E.C. 2.

**AUDITORS:** KEMP, CHATTERIS, NICHOLS, SENDELL, & CO., 36, Walbrook, E.C. 4. } Chartered Accountants.  
**LUCKIN & SHELDRAKE, Chelmsford.**

**ACCOUNTANTS TO THE ISSUE:** PÉAT, MARWICK, MITCHELL, & CO., 11, Ironmonger Lane, E.C. 2, Chartered Accountants.

**SECRETARY AND REGISTERED OFFICE:** F. G. ROGERS, 210, High Holborn, W.C. 1.  
Dated 22nd January, 1936.

This Form should be filled up and forwarded to Barclays Bank Limited, 54 Lombard Street, E.C. 3, or any Branch; or to Lloyds Bank Limited, 39, Threadneedle Street, E.C. 2, or any Branch; or to Midland Bank Limited, Poultry, E.C. 2, or any Branch, together with a remittance for the amount payable on application.

### THE CRITTALL MANUFACTURING COMPANY LIMITED.

(Incorporated under the Companies Acts, 1908-1917.)

#### FORM OF APPLICATION.

ISSUE OF 750,000 5½ per Cent First Cumulative Preference Shares at 20s. 6d. per Share.

To the Directors of THE CRITTALL MANUFACTURING COMPANY LIMITED, (12) Gentlemen,—Having paid to your Bankers the sum of £....., being a deposit of 2s. per Share on Application for..... 5½ per Cent First Cumulative Preference Shares of your Company, I/we apply for and request you to allot to me/us such Shares upon the terms of the Company's Prospectus dated 22nd January, 1936, and subject to the Memorandum and Articles of Association of the Company, and I/we hereby undertake and agree to accept the same or any less number of such Shares that may be allotted to me/us and to pay the further instalment due from me/us, as provided by the said Prospectus, and I/we hereby authorise you to place my/our name(s) on the Register of the Company as the holder(s) of the said Shares.

Dated this ..... 1936.

Usual Signature .....

Surname .....

(In Block Capitals.)

Christian Name or Names .....

Address .....

Profession or Occupation .....

(PLEASE WRITE DISTINCTLY.)

Cheques should be drawn payable to "Bearer" and crossed "Barclays Bank Limited," "Lloyds Bank Limited," or "Midland Bank Limited." Any alteration from "Order" to "Bearer" must be authenticated by the Drawer's signature.

Applications must be in the names of individuals or limited companies and NOT in the names of firms. No receipt will be issued for payment on application, but an acknowledgment will be forwarded in due course either by Letter of Allotment in whole or in part or by return of deposit.

This Form should be filled up and forwarded to Barclays Bank Limited, 54, Lombard Street, E.C. 3, or any Branch; or to Lloyds Bank Limited, 39, Threadneedle Street, E.C. 2, or any Branch; or to Midland Bank Limited, Poultry, E.C. 2, or any Branch, together with a remittance for the amount payable on application.

### THE CRITTALL MANUFACTURING COMPANY LIMITED.

(Incorporated under the Companies Acts, 1908-1917.)

#### FORM OF APPLICATION.

ISSUE OF £850,000 4½ per Cent First Mortgage Debenture Stock at 105 per cent.

To the Directors of THE CRITTALL MANUFACTURING COMPANY LIMITED, (12) Gentlemen,—Having paid to your Bankers the sum of £....., being a deposit of £10 per Cent First Mortgage Debenture Stock of your Company, I/we apply for and request you to allot to me/us such stock upon the terms of the Company's Prospectus dated 22nd January, 1936, and I/we hereby undertake and agree to accept the same or any less amount of such stock that may be allotted to me/us and to pay the further instalments due from me/us, as provided by the said Prospectus, and I/we hereby authorise you to place my/our name(s) on the Register of the Company as the holder(s) of the said Stock.

Dated this ..... 1936.

Usual Signature .....

Surname .....

(In Block Capitals.)

Christian Name or Names .....

Address .....

Profession or Occupation .....

(PLEASE WRITE DISTINCTLY.)

Cheques should be drawn payable to "Bearer" and crossed "Barclays Bank Limited," "Lloyds Bank Limited," or "Midland Bank Limited." Any alteration from "Order" to "Bearer" must be authenticated by the Drawer's signature.

Applications must be in the names of individuals or limited companies and NOT in the names of firms. No receipt will be issued for payment on application, but an acknowledgment will be forwarded in due course either by Letter of Allotment in whole or in part or by return of deposit.

### The Crittall Issue

Together the interest and sinking fund on the £850,000 4½ per cent debenture stock and the dividend of the £750,000 5½ per cent preference capital now offered for subscription by the Crittall Manufacturing Company will call for £90,468 gross per annum. The average of the past three years' profits, which were arrived at after making substantial provision for repairs, renewals, and depreciation, is £126,366, while last year's profit on the same basis amounts to £267,600. Sales for the current financial year to date have shown a substantial increase

over those for the corresponding period of the previous year, and the directors are of opinion that the company's business should be maintained at a profitable level, even in the face of a decrease in building activity, though of this they see no sign at present.

The net assets available as cover for the combined issue, after giving effect to the recent reorganisation scheme, are valued at £2,365,886. The company is the largest concern of its kind engaged in the manufacture of metal windows and doors, and is developing a profitable business in allied products. The losses which necessitated the reduction of capital were made by overseas subsidiary and associated companies which had not established themselves when the depression began. These companies are now on a profit-earning basis, and the likelihood of further losses has been minimised. In the circumstances the issues are a reasonable investment risk. The list for cash applications will close on or before Friday, and that for conversion acceptances on Saturday.



The Times (London)

Nr. 47852

**Higher Crittall Dividend**

Whatever rise in costs or slackening of activity there may have been in the construction industries as a whole there is no direct trace of their effects in the preliminary results announced by the Crittall Manufacturing Company, makers of metal window-frames. Profits for the year ended August 31 are returned at £287,995, which compares with £282,368 for 1935-36. Nor do the directors acknowledge any doubts about the future earning capacity of the business, for they are passing on to the shareholders in part at least the further benefit accruing from the reduction of prior charges under the recent reorganization of the capital, which was not fully reflected in the accounts for 1935-36. After deducting interest on the Four-and-a-Half per Cent. Debenture stock and the Preference dividends, together with £30,000 (against £26,000) for depreciation, the equity earnings have risen from £138,670 to £156,699, an increase of £18,029. The board are raising the Ordinary dividend from 20 to 25 per cent.—this will take £12,500 gross of the extra earnings—and are transferring £70,000 (against £65,466) to general reserve. The company wrote back to profits in 1935-36 £9,500 previously set aside but then no longer required for income-tax. It is not possible from the preliminary figures to discover whether the profits have benefited in the same way this year. But if they have not, of course, the position is even better than that suggested by the present figures.



11. DEZ 1937

## Nachrichten für Außenhandel (Berlin)

Nr. 285

### Großbritannien — Günstiger Abschluß der Crittal Manufacturing Co.

— Vol. London — Die Firma Crittal Manufacturing Co. Ltd., die in der Herstellung von stählernen Fensterrahmen und anderem Bauzubehör führend ist, hat nach Mitteilungen von Sir Valentine Crittal ein günstiges Geschäftsjahr gehabt. Das Unternehmen hatte im vergangenen Jahr besondere Aufträge durch die Sanierung der Altwohnungen erhalten, aber auch sonst ist nach den Ausführungen auf der GV. allgemein ein größerer Bedarf nach Stahlfenstern zu verzeichnen. Sir Crittal erklärte, daß er nicht der Ansicht sei, daß die Bauwirtschaft ernsthaft vor einem Rückgang stehe, obwohl in einigen Teilen ein Nachlassen der Aufträge festzustellen sei. Das Unternehmen konnte trotz der erhöhten Lohn- und Materialunkosten einen höheren Gewinn erzielen. Im Zusammenhang mit der Stahlpreispolitik der BISF wies Sir Crittal darauf hin, daß die Stahlpreise seit April 1936 um etwa 25 % gestiegen seien, eine Herabsetzung dieser Preise wurde als Vorbedingung für die Aufrechterhaltung der Konjunktur bezeichnet. Um die erhöhten Aufwendungen und Investitionen zu decken, schlug Sir Crittal die Ausgabe von 500 000 Stammaktien vor, von denen 250 000 zu bevorzugten Bedingungen an die bisherigen Aktionäre gegeben werden sollen.



The Times (London)  
Nr. 47857

47857  
CRITTALL MANUFACTURING

The accounts of the Crittall Manufacturing Company for the year ended August 31 show a profit, as indicated in the preliminary statement published last week, of £287,995, against £282,367 for 1935-36. Consequent upon the conversion operation carried out in 1936 interest charges show a reduction from £58,635 to £38,250, while the provision for depreciation is £30,000, against £26,000, so that the net profit comes out at £219,745, against £197,732. Preference dividends absorb the larger sum of £76,250, against £59,062, and it is proposed to transfer £70,000, against £65,465, to general reserve (making it £150,000), and to pay a dividend of 25 per cent., against 20 per cent., on the £250,000 of Ordinary share capital. The balance forward is raised from £13,204 to £24,199.

A resolution to increase the capital by the creation of 500,000 additional Ordinary shares of 5s. each will be submitted to the meeting. It is proposed to issue only a portion of these shares at an early date and only will be offered to holders of existing Ordinary shares by way of "rights" at a price to be fixed.

The balance-sheet shows that shares in subsidiary companies have been increased by £30,000 (to £210,982), which represents capital subscribed to a new company—Wood Surrounds, Limited—who supply the company with a large portion of their wood requirements. Shares in associated companies appear at £156,018, the amount due from Silver End Development Company at £144,756, and amounts due from other subsidiaries at £204,350. Stocks, sundry debtors, and cash amount to £830,889, against sundry creditors and dividend requirements of £455,762. Meeting, December 9.



The Times (London)

Nr. 47857

#### CRITTALL CAPITAL INCREASE

At the forthcoming annual meeting of the ~~Crittall~~ Manufacturing Company a resolution will be submitted to increase the capital by the creation of 500,000 Ordinary shares. Existing Ordinary capital consists of 1,000,000 shares of 5s. each. It is proposed to issue only a portion of the new shares in the early future, and they will be offered to present Ordinary shareholders by way of "rights" at a price to be fixed.

Preliminary figures of the past year's trading have already been published, but the full report throws light on the effect produced upon the company's finances by the recent conversion scheme, which has now been in operation for a full year. As a consequence of the repayment of Notes and Six per Cent. Debentures interest on Debenture stock absorbed only £38,250, or £20,385 less than in the previous year. On the other hand, Preference dividends (£76,250) required £17,188 more. Thus the company has improved its financial structure and has made a net saving in pre-Ordinary charges. Profit, after deducting Debenture interest and depreciation—the allocation under the latter heading was increased by £4,000 to £30,000—amounted to £219,745, against £197,732. Excluding sums due from or to subsidiaries, floating assets amount to £831,000 and exceed current liabilities by £375,000.



The Times (London)

Nr. 47864

**THE CRITTALL  
MANUFACTURING  
COMPANY**

**FAVOURABLE BUILDING  
PROSPECTS**

**INCREASE OF CAPITAL  
APPROVED**

**SIR VALENTINE CRITTALL'S  
SPEECH**

The THIRTEENTH ORDINARY GENERAL MEETING of The Crittall Manufacturing Company, Limited, was held yesterday at the Holborn Restaurant, High Holborn, London, W.C.

SIR VALENTINE CRITTALL, J.P. (chairman and managing director), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen,—I presume, as is now customary, we may take the report and accounts as read. (Agreed.)

**ANOTHER PROFIT RECORD**

At our meeting last year we submitted to you accounts in which the profit constituted a record in the company's history. This year shows a further increase, the figure being £287,995, as against £282,368 in the previous accounts. In last year's accounts we had the benefit of a surplus on income-tax of £9,500, whereas in the year under review we provided an extra £1,500 for income-tax and N.D.C., so that on a comparative basis there has been a further improvement of £11,000. At the same time I should like to point out that our appropriation of £56,897 from revenue for upkeep of plant and machinery shows an increase of £14,191, and that this increase is more than is normally required.

You will notice in the balance-sheet that we have displayed corresponding figures for last year against the items in the current balance-sheet. This shows you the changes and adjustments at a glance and renders further comparison unnecessary.

**WOOD SURROUNDS, LIMITED**

I should, however, like to point out that the contingent liability referred to in a note at the foot of the balance-sheet is limited to £3,000, while the increase in investments is accounted for by the investment of £30,000 which we have made in a new company, Wood Surrounds, Limited. This subsidiary has built an up-to-date factory at Ruislip, which is engaged in making a large proportion of our wood requirements and will, we believe, prove a useful and profitable investment in the immediate future.

Our profits include the sum of £18,700 from home investments and £26,000 from investments overseas, as compared with £12,000 and £25,000 respectively last year. Apart from these profits the whole of our income has been earned in this country. Dealing with this I would mention that with the carry-forward of £13,204 from the previous year there is a sum available of £301,199, which has been dealt with as follows:—

First, in meeting fixed charges for Debenture interest and Preference share dividend, which amounted during the period under review to £114,500. These showed a saving of £11,425 as compared with last year. You will recollect that I foreshadowed a saving of £10,000 for bank and fixed interest charges. This year there are no bank charges, as against £8,230 last year. From the sum of £186,699 remaining we have appropriated £30,000 for depreciation, which is an increase of £4,000 over last year's figure, and the board has de-

cided further to strengthen the general reserve by the addition of the sum of £70,000.

**DIVIDEND INCREASED TO 25 PER CENT.**

The improved position, with due consideration to the conditions obtaining in the industry, has led your directors to recommend an increase of the dividend from 20 per cent to 25 per cent. The dividend warrants will show that tax has been deducted at the rate of 4s. 9d. in the £, instead of the statutory rate of 5s. in the £. This difference represents the amount of Dominion income-tax relief in connexion with our South African profits, which, as agreed with the Inland Revenue authorities, has been passed on to the shareholders.

Despite conflicting and often misleading statistics which have been published from time to time about the building industry, we have obtained a satisfactory volume of business, and I consider the prospects of the current year distinctly encouraging. Though undoubtedly there is a falling off in the total volume of house building, I am confident that the talk of saturation point having been reached is without foundation. The principal decline has been in the Metropolitan area, but there are indications in many other parts of the country of a definite increase in house building. A substantial commencement has been made in slum clearance schemes. We have had a considerable volume of this business in the past year and we look forward to an increase from this source which will go a long way to compensate for the falling off in speculative building.

In other branches of the building industry there is really no sign of decline. For us it is a question of the total volume of metal windows which will be wanted for all classes of buildings, and the proportionate use of metal windows continues to increase. It is our business further to increase this proportion and thus maintain the volume of our trade, even in the event of there being a smaller volume of building.

**HIGH PRICE OF STEEL**

Our improved profits have been made despite conditions which apply to almost every industry to-day—I mean increased labour and material costs and, most of all, the high price of steel. At one time during the year there was considerable talk of a steel shortage—in fact, fears of a shortage have acted as a deterrent to trade. In my opinion this shortage was largely the result of precautionary buying. In any case, there is now an abundant supply for the whole metal window industry. In this connexion I am glad to say that our associated company, Darlington and Simpson Rolling Mills, Limited, has just put into operation a new mill which will make it unnecessary for the metal window industry to use imported steel.

Though the supply of steel gives us no cause for anxiety I am very concerned about its price. The price of steel billets is controlled and has been going up steadily. There have been four increases in price since April 1, 1936, amounting approximately to 25 per cent. Rolling mills which use these billets and which pass on the increase to consumers such as window makers have become so used to these price increases that a further advance in price in the New Year was looked upon as a matter of course. We now hear that prices are to be stabilized for a year from Christmas next. Whether this indicates a failure of nerve or the prickings of conscience among the steel makers is immaterial, but I suggest that a substantial reduction of steel prices is now due.

The protected position of the steel industry carries with it obligations to the industrial community. Surely the steel makers have by now had an innings that has enabled them to put their house in order and arrive at a more efficient production. A reduction in steel prices is an essential contribution to the maintenance of the prosperity of this country and would be of particular benefit to building and its allied trades.

**EFFICIENCY OF MANUFACTURING EQUIPMENT**

Your board attaches great importance to the policy of maintaining our manufacturing equipment in the highest possible state of

wenden



efficiency. We are also anxious to avail ourselves of any improved machinery or processes which may be available both for more economic production and for the improvement of our product.

For the past two years capital expenditure in this connexion has amounted to £134,702, and we consider it prudent to cover this by an issue of further capital. If you approve the resolution to issue a further 500,000 Ordinary shares we propose to make an issue of 250,000 shares, which will be offered in the first case as rights to the Ordinary shareholders, at the price of 12s. 6d. per share in the proportion of one share for every four shares held. Applications will be considered from Preference shareholders and Debenture holders for any shares not taken up by Ordinary shareholders.

#### THE STAFF PENSION SCHEME

I want before we part to send from this meeting a special message of thanks to our staff. I am glad to tell you that the tangible expression of your appreciation of their work which you gave at our last meeting when you approved the appropriation of £10,000 to inaugurate a staff pension scheme has been widely appreciated. The scheme is open to our adult male staff, of which 596 out of a total 608 have already joined.

I now beg to move: "That the directors' report and statement of accounts for the year ended August 31, 1937, now submitted to this meeting, be and the same are hereby received and adopted."

Mr. H. M. TROUNCER seconded the resolution, and, after the chairman had replied to a few questions, it was carried unanimously.

The dividend recommendation was approved. The retiring directors, Mr. H. M. Trouncer, Mr. C. S. Freeman, and Mr. C. F. Livermore, were re-elected; the auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake, were reappointed; and the proceedings terminated with a hearty vote of thanks to the chairman, directors, and staff.



Signatur

Datum 10. Dez. 1937

The Times (London)

Nr. 47864

**Crittall's Bonus Issue**

The terms of the intended new issue of capital were announced by Sir Valentine Crittall at yesterday's meeting of the Crittall Manufacturing Company. Of the 500,000 additional shares authorized it is proposed to make an immediate issue of 250,000 shares, which will be offered as rights to the Ordinary shareholders at a price of 12s. 6d. in the proportion of one to four. Since the existing 5s. shares are quoted at 17s. 3d., the offer thus involves a small bonus. The issue is being made to cover capital expenditure of £134,702 incurred in the past two years. Referring to prospects in the building trade, Sir Valentine Crittall declined to believe that saturation point had been reached. On the contrary, slum clearance and activity in other directions would go far, he thought, to compensate for the decline in speculative building which had manifested itself more especially in the Metropolitan area. In common with other manufacturers he is concerned about the price of steel, although he no longer fears a scarcity. A reduction in the price would, he contends, be an essential contribution to the maintenance of prosperity in this country, besides being of great assistance to the building trade.



Datum 24. Nov. 1938

The Times (London)

Nr. 48160

A 22 627  
CRITTALL MANUFACTURING

The directors of the Crittall Manufacturing Company (manufacturers of metal windows, &c.) announce that the profit for the year ended August 31 amounted to £104,970 (against £287,995 for 1936-37) and that the net amount available is £179,670 (against £156,699). They propose to transfer £10,681 (against £70,000) to general reserve and £50,000 (against nil) to special contingency account against foreign investments, and recommend a dividend of 25 per cent. on the Ordinary shares (unchanged). These appropriations will leave £40,861 (against £24,999) to be carried forward.



The Times (London)

Nr. 48166

CRITTALL REPORT

As indicated in the preliminary statement published last week the profits of the Crittall Manufacturing Company, manufacturers of metal windows, &c., for the year ended August 31 amounted to £304,970, compared with £287,995 for 1936-37. The full accounts, now available, show that the past year's profit has been arrived at after providing £35,500 for taxation. Net profits, after Debenture interest and depreciation, work out to £231,720, against £219,745. The premium on the issue during the year of 250,000 Ordinary 5s. shares amounted to £89,318, which has been transferred to general reserve. This, with the further sum of £10,681 now to be transferred to that account (against £70,000 last year), brings the total of the fund up to £250,000. The directors again propose to pay a dividend of 25 per cent. on the Ordinary share capital, absorbing £78,125, and, in view of the uncertain world conditions as affecting foreign investments, to create a special contingency account of £50,000. The balance forward is then raised from £24,199 to £40,863.

In the balance-sheet shares in subsidiary and associated companies show little change at £357,000, while amounts due from those companies are up from £549,106 to £621,858, an advance of £80,091 having been made to the Silver End Development Company to enable it to repay a mortgage of that amount. Stocks, sundry debtors, and cash amount to £860,728 against creditors and dividend requirements of £325,239. Meeting, December 8.



The Times (London)

48173

**CRITTALL  
MANUFACTURING**

**RECORD PROFIT**

**25% DIVIDEND ON  
INCREASED CAPITAL**

**SIR VALENTINE CRITTALL'S  
REVIEW**

The FOURTEENTH ORDINARY GENERAL MEETING of the Crittall Manufacturing Company, Limited, was held yesterday at the Holborn Restaurant, High Holborn, London, W.C.

SIR VALENTINE CRITTALL, J.P. (chairman and managing director), presided.

The SECRETARY (Mr. F. G. Rogers) having read the notice convening the meeting and the report of the auditors,

The CHAIRMAN said:—Ladies and gentlemen,—The report and accounts which have been presented to you speak, I think, for themselves. Before proposing their adoption I should like to give some further account of the year's working.

The profit is £304,970, against £287,995 last year, an increase of £16,975. This result is obtained after providing, in addition to the amount deducted for Preference dividend and Debenture interest, the sum of £35,500 for income-tax and National Defence Contribution, against only £1,500 last year. Another item which has been provided out of profits for the first time in the current account is £11,605, the firm's contribution to the staff pension scheme. It is important to remember that the profit on our turnover is less than 11 per cent.

**RESULT EMINENTLY SATISFACTORY**

In the light of the foregoing figures you will agree with me that the result is eminently satisfactory. We have provided out of revenue for the upkeep of plant and machinery the sum of £30,769, against £56,897 last year. Without departing from our policy of keeping our equipment in the highest possible state of efficiency, I hope for a reduction in this amount in the current year. For depreciation we have appropriated the sum of £35,000, an increase of £5,000 over last year.

Some of the figures in the balance-sheet present striking changes against last year. The sundry creditors show a reduction of £146,147 and the cash in hand an increase of £107,297, against which the sundry debtors are down £12,135 and the stock £65,322. This reduction in stock must be regarded as satisfactory. It has been deliberately achieved with a view to the probable trend of market prices. The advance of £30,090 to the Silver End Development Company has been referred to in the report. During the year advantage has been taken of the cash position to pay off a mortgage to the Halifax Building Society secured on part of the Silver End property, the original amount of which was £100,000. Apart from this transaction there has been a reduction in the Silver End debt to the company during the year of £6,786.

A consideration of the foregoing items and of the balance-sheet as a whole must satisfy shareholders as to the very strong financial position of the company. Last year I told you of the saving in bank and fixed interest charges we had been able to make. A further £7,250 has been earned this year in discounts as a result of the improved cash position.

**SATISFACTORY INVESTMENT INCOME**

A word as to our investments. The total income brought into the account from subsidiaries and associated companies is £53,838, representing nearly 5½ per cent. on the capital invested. This is an increase of £9,034 on last year, which is principally due to a satisfactory

dividend from Wood Surrounds, Limited, and the resumption of the payment of dividends by the Australian company. Of these profits £29,055 come from home and £24,803 from overseas investment. Taken as a whole this return can be regarded as satisfactory.

You will have seen, however, from the report, that the board has decided, because of uncertain world conditions, to create a special contingency account of £50,000. We are concerned with two markets, China and the United States of America. In the former, as you can imagine, possibilities of window sales are very remote. In America it is a case of over capacity in the trade coupled with lack of demand. For some years past the American company has found conditions very difficult and we have finally decided to dispose of the major portion of our interest. The reserve of £50,000 is more than ample to clear up our investments in the United States of America and China, in fact I hope that little more than half that amount will be required. We hope to give effect to the cancellation of these assets in the current year. The only other overseas company which is not contributing to our profits is the German company. Though this company is running profitably it is, I think, common knowledge that the sending of funds out of Germany is well nigh impossible. Nevertheless, we regard the German company as a useful adjunct to our business.

**APPROPRIATION OF PROFIT**

Coming now to the appropriation of profit, after adding last year's carry forward we have a total of £329,169. The interest on Debenture stock and dividends on Preference shares absorb £114,500 and depreciation takes £35,000. We are left with a balance available of £179,669. The premium on the new Ordinary shares issued during the year £89,318, added to the reserve gives a total of £239,318, and in addition to providing the special contingency fund of £50,000 we have transferred £10,681 to general reserve, bringing the total to £250,000.

Having regard to all the circumstances the directors have decided to recommend a continuance of the dividend on the increased Ordinary share capital at the same rate as last year—namely, 25 per cent. After providing £78,125 for this purpose we are left with a carry forward of £40,863, against £24,199 brought in. Because of the Dominion income-tax relief in connexion with our South African profits the dividend warrants will show that tax has been deducted at the rate of 5s. 3d. instead of 5s. 6d. in the pound. The benefit of this relief will be appreciated by the Ordinary shareholders.

**CAPITAL EXPENDITURE**

Our capital expenditure during the year has been kept in very modest bounds. I may say, however, that the board have in view considerable capital expenditure in connexion with the protection and finish of our windows. I am confident that this expenditure will be justified, both from its effect on the quality and the cost of our products.

Last year I ventured to disagree with rather dismal forecasts which had been current as to the future of the building industry. I feel happy that my views as to the effect of these conditions on our own business have proved fairly accurate, although in point of fact the volume of output has been rather smaller than last year. Since the end of the year under review there has been a falling off in orders which became more marked after that unhappy week in September. I would say, however, that there is an encouraging amount of work in prospect. The immediate future will depend to a large extent on what the Government does in the matter of expenditure by local authorities.

**STEEL PRICES**

There is also the question of the price of steel. Though there has been no change in steel prices during last year there was a series of increases from April, 1936, to May, 1937, amounting to no less than 57s. per ton—that is to say, an increase of between 25 and 30 per cent. on our material. I expressed hopes last year that the steel people would see the

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widom of a reduction as a stimulation to building. Many building trades besides our own are, of course, affected.

I should like to make it clear that such a reduction would not mean a direct increase of profit to this company, it would have to be passed on forthwith to our customers, but I am confident that we should be reimbursed in common with the steel makers by the increased volume of business which would result.

I am sure that you will wish again to join me in sending a message of thanks to our staff and all our employees. They have done a good job.

I now beg to move "That the directors' report and statement of accounts for the year ended August 31, 1938, now submitted to this meeting, be and the same are hereby received and adopted."

Mr. H. M. TROUNCER seconded the resolution and, after the chairman had replied to a few questions, it was carried unanimously.

The dividend as recommended was approved; the retiring directors, Mr. C. E. Rogers and Mr. F. P. Walker, were re-elected; the auditors, Messrs. Kemp, Chatteris, Nichols, Sendell and Co. and Messrs. Luckin and Sheldrake, were reappointed; and the proceedings terminated with a vote of thanks to the chairman, directors and staff.



Europapress-Wirtschaftsdienst (Frankfurt a. M.)

Nr. 294

(5) Dividendenerhöhung bei Crittal Manufacturing Co.

EPW Stockholm, 14. Dezember

Die Crittal Manufacturing Co., die auf die Herstellung von Metallfensterrahmen spezialisiert ist, schliesst das am 31. August abgelaufene Geschäftsjahr mit einem gegenüber dem Vorjahr um 47 000 £ auf 312 000 £ gestiegenen Reingewinn ab, aus dem eine auf 20 (15) % erhöhte Dividende auf das Stammkapital ausgeschüttet wird. 95 re