

stock

40th
Annual Report
For Year Ended November 30th
1951



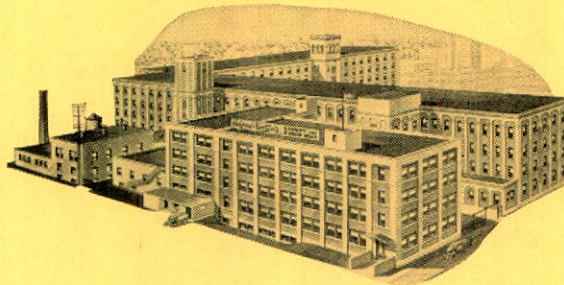
Belding-Corticelli
Limited

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MCGILL UNIVERSITY

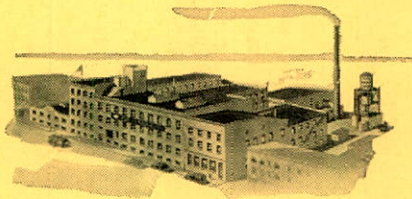


Belding-Corticelli *Limited*

Head Office and Mills



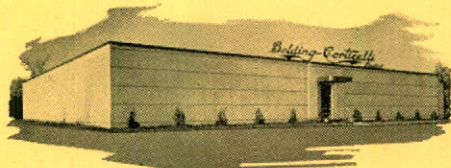
MONTREAL, QUE.



ST. JOHNS, QUE.



COATICOOK, QUE.



GREENFIELD PARK, QUE.
First Section



PLANT NUMBER 2, COATICOOK, QUE

Branch Offices

TORONTO, WINNIPEG, VANCOUVER

Belding-Corticelli *Limited*

A N N U A L R E P O R T F O R 1 9 5 1

Board of Directors

R. C. VAUGHAN
O. B. THORNTON
A. S. BRUNEAU, K.C.

W. P. MacDOUGALL
J. M. MACKIE

J. D. JOHNSON
C. E. GRAVEL
W. G. HICKS

Officers

W. P. MacDOUGALL
Chairman of the Board

W. G. HICKS
President and General Manager

L. B. RAMSEY
Assistant General Manager and Treasurer.

J. M. MACKIE
Vice-President

D. F. POLLOCK
Secretary

Registrars
Montreal Trust Co.

Transfer Agents
The Royal Trust Co.



Belding-Corticelli
Limited

FORTIETH ANNUAL REPORT

Your Directors have much pleasure in presenting herewith their report of the operations of your Company for the fiscal year ended November 30th 1951, together with the Balance Sheet and Profit and Loss account duly certified by your Auditors, Messrs. Riddell, Stead, Graham & Hutchison.

75 YEARS IN BUSINESS. To commemorate this event a book entitled "The Belding-Corticelli Ltd. Story" 1876-1951 was published and distributed in Canada and other countries. We are happy to say that this has been very favorably received.

SALES. During the first six months Domestic sales were the largest on record, but in the later months the trend reversed itself and sales were considerably lower; however, the twelve months showed a small increase over the previous year. During the second period competition became very keen and frequently sales had to be made at prices which left little or no profit. Export sales contributed very little to the year's total.

PROPERTIES. Your Directors continued their policy of purchasing the most modern and efficient machinery and equipment, and while this year the net additions to Capital account were only \$53,267.30 the actual amount expended was \$382,214, the difference covering machinery scrapped or sold.

INVENTORIES are higher than normal due to reduced sales in the second six months, and accelerated deliveries of raw materials on contract which had previously been slow.

For presentation to the Shareholders at the Annual General Meeting to be held at the Head Office, 1455 Shearer Street, Montreal, on Monday, February 11th, 1952 at 12 o'clock noon.



OF THE BOARD OF DIRECTORS

NET PROFIT for the year was \$153,119.10 after providing for full depreciation on the higher capital cost of the large purchases of new equipment made during the past two years, and Income taxes, Pension fund, etc., also after setting aside \$75,000 to Inventory reserve to help provide against any decline in values.

DIVIDENDS paid during the year on the Preferred and Common shares amounted to \$113,036.00 leaving \$42,083.10 to be added to Surplus.

DIRECTORS. We honor the memory of Mr. Paul F. Sise, who faithfully served your Company for over seventeen years. The vacancy created by his death has been filled by Mr. O. B. Thornton, O.B.E.

RE SPLITTING OF STOCK. At a Special General Meeting of Shareholders held May 14th 1951, authorization was given to the splitting of both Preferred and Common shares on the basis of ten for one.

Authorization was also granted to the holders of the new Preferred shares to convert into Common shares on a share for share basis, any time between December 1st 1951 and December 31st 1953.

Your Directors wish to personally thank all members of the staff for their loyal and efficient service throughout the year.

Submitted on behalf of the Board.

A handwritten signature in black ink, appearing to read "W. P. MacDougall". The signature is written in a cursive style with a prominent underline.

Chairman of the Board.

A handwritten signature in black ink, appearing to read "W. S. Hicks". The signature is written in a cursive style with a prominent underline.

President.



Corticelli
MADE IN CANADA

OUR DIAMOND JUBILEE

In 1951, your Company celebrated its 75th birthday. Originally founded in 1876, only nine years after Canadian Confederation, the Company has grown and prospered with Canada.

Many milestones have been passed and the future holds promise of many more. Founded with faith in the future, directed by men of vision who served their Country and their Company well and faithfully, the Company has continued to play an important role in the lives of a growing number of Canadians.

The position which Belding-Corticelli Limited enjoys has been the result of individual and group planning and initiative, of ability to pioneer in the processing of raw silk in Canada and later in the synthetic fibres. New products and refinements of old products have been made available to Canadian and world markets.

It is impossible to fully review the history of the Company in this financial report, however, this has been done in an attractive and interesting publication "The Belding-Corticelli Story"*. This book portrays the main events of the Company's history and of that of Canada during the period 1876-1951. It is an eloquent tribute to the early founders and to the management groups throughout the years and is, at the same time, a testimonial to the future of the Company.

*Copies available upon request.



Belding-Corticelli
Limited



Corticelli
MADE IN CANADA

Corticelli
Knitwear





Corticelli
MADE IN CANADA

EMPLOYEE BENEFITS

The Annual Report of Belding-Corticelli Limited would not be complete without special mention of the many factors which contribute to the well-being and happiness of the employees.

THE VACATION POLICY: Constitutes a dividend which the employees collect annually and which increases with the years of service.

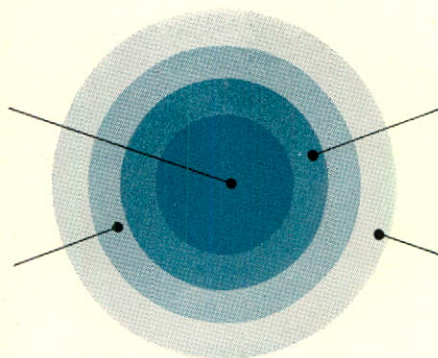
THE EMPLOYEES PENSION PLAN: When employees have withdrawn from active service with the Company they can look forward to receiving from this plan financial assistance to brighten their retirement.

THE GROUP LIFE INSURANCE: A protection for the employees' loved ones, made possible by their own efforts and the Company's contributions.

"BON ACCORD": A house-organ published bi-monthly in the interests of all employees, reporting items of interest and special events providing an excellent means of fostering a spirit of comradeship within the organization.

11% OF EMPLOYEES
HAVE 25 YEARS, AND
OVER, OF SERVICE

24% OF EMPLOYEES
HAVE 5 TO 15
YEARS OF SERVICE



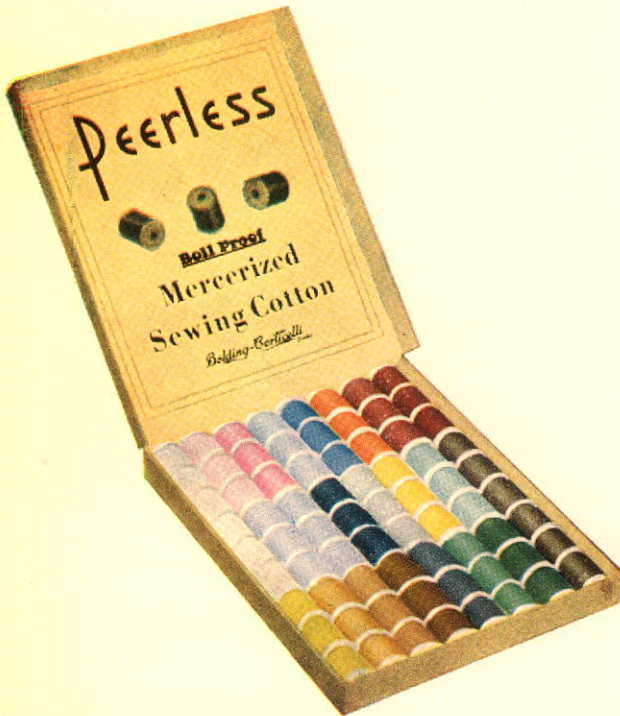
10% OF EMPLOYEES
HAVE 15 TO 25 YEARS
OF SERVICE

45% OF EMPLOYEES
HAVE 5 YEARS, AND
OVER, OF SERVICE



Beldings
MADE IN CANADA

PURE SILK *Sewing Thread*



Peerless
Boil Proof
REGISTERED

MERCERIZED

Sewing Thread





Corticelli
MADE IN CANADA

PERSONNEL

Each year the Annual Report presents a summary of the Company's assets and liabilities, profit and loss, and a review of plans and operations. However, implied on every page is another story; the story of men and women in plants and offices — the Staff of Belding-Corticelli Limited — who take pride in meeting the exacting daily requirements of their tasks.

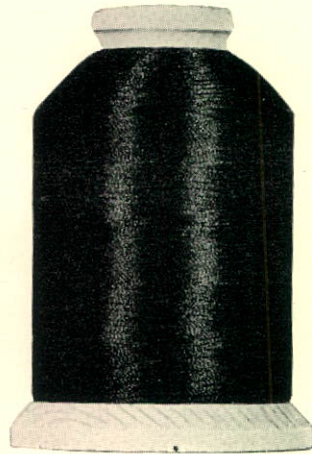
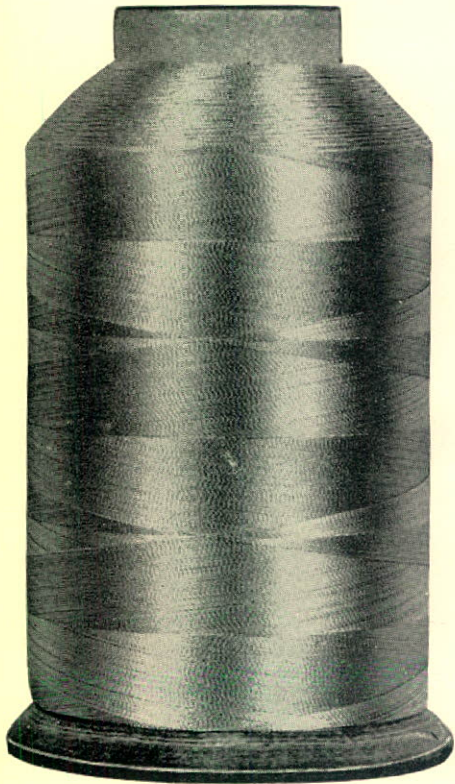
The Company is proud to pay tribute to these men and women, for much of the future rests on their ability to produce efficiently.

Belding-Corticelli Limited has been growing for 75 years. With those years have come new jobs, more efficient machines, new plants, better products and better working conditions.

The future can bring even greater progress and opportunities for all. The Company pledges itself to do its utmost to foster and perpetuate the goodwill and welfare of all employees, so that by working together, everyone may benefit.



The threads shown on this page are samples of the products designed to meet the exacting requirements of the needle trades.



The 1 oz. spool (upper right) and the 4 oz. spool (lower left) are representative of the various put-ups supplied to manufacturers.





Belding-Corticelli *Limited*

Balance

ASSETS

AS AT 30th NO

CURRENT ASSETS

Cash on hand and in bank		\$ 164,511.55
Investments — Government Bonds, etc. at book value (Approximate Market Value \$24,312.00)		25,001.00
Accounts and Bills Receivable, less reserve for doubtful accounts		1,011,460.13
Current Refundable Portion of Excess Profits Tax		3,564.65
Inventories of Manufactured and Partly Manufactured products, Raw Materials, Supplies, etc. quantities and condition determined by the Management, valued on a conservative basis and not over replacement value, less reserves		1,411,944.24
<i>Total Current Assets</i>		<u>2,616,481.57</u>

GOODWILL AND TRADE MARKS

1.00

PROPERTY ACCOUNTS

Real Estate, Plant, Machinery, Equipment and Office Furniture as at 30th November 1950	\$4,579,556.97	
Additions during year — Net	53,267.30	
	<u>4,632,824.27</u>	
Reserve for Depreciation	3,171,250.56	1,461,573.71

DEFERRED CHARGES

Insurance, Taxes, etc.	15,160.68	
Coaticook Power Contract — balance	56,250.00	71,410.68

Note: Commitments made by the Company as at 30th November 1951 for the purchase of Machinery totalling approximately \$200,000.00 are not reflected in the above Balance Sheet.

\$4,149,466.96

SIGNED ON BEHALF OF THE BOARD:

W. G. HICKS, *Director.*

W. P. MacDOUGALL, *Director.*

Profit and Loss

STATEMENT

For the Year Ended 30th November, 1951

PROFITS

For the year ended 30th November 1951 after deducting all Manufacturing, Selling and Administration Expenses, but before providing for Depreciation, etc.

	\$866,459.08
Income from Investments	2,540.68
Profit from Sale of Fixed Assets and Investments	8,599.03
	<u>877,598.79</u>

Deduct:

Provision for Depreciation	\$315,644.42	
Provision for Federal Income Tax	171,372.72	
Provision for Provincial Income Taxes	32,406.50	
Pension Fund Contribution	33,874.50	
Directors' Remuneration	7,456.65	
Executive Remuneration	80,718.16	
Legal Fees	6,006.74	
Inventory Reduction Reserve	75,000.00	722,479.69
<i>Net Profit transferred to Earned Surplus</i>		<u>\$155,119.10</u>

EARNED SURPLUS

Balance at Credit, 30th November 1950		\$716,668.13
<i>Add:</i> 1945 and 1946 Refundable Portions of Excess Profits Tax		36,622.83
		<u>753,290.96</u>
<i>Add:</i> Net Profit for the year ended 30th November 1951		155,119.10
		<u>908,410.06</u>
<i>Deduct:</i> Dividends for the year ended 30th November 1951		
On Preferred Stock	60,571.00	
On Common Stock	52,465.00	113,036.00
<i>Balance as per Balance Sheet</i>		<u>\$795,374.06</u>

The Auditors' Report

10th January, 1952

TO THE PRESIDENT AND SHAREHOLDERS,
BELDING-CORTICELLI LIMITED,
MONTREAL, QUEBEC

We have examined the balance sheet of Belding-Corticelli Limited as at 30th November 1951. Our examination was made in accordance with generally accepted auditing standards and, without making a detailed audit, included such tests of the accounting records and other auditing procedures as we considered necessary in the circumstances.

We have obtained all the information and explanations we have required, and, in our opinion, the accompanying balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 30th November 1951 according to the best of our information and the explanations given to us and as shown by the books of the Company.

(Signed) Riddell, Stead Graham & Hutchison,

Auditors.

460 St. John Street
P.O. Box 2398 Place d'Armes
Montreal 1



Sheet

MEMBER 1951

LIABILITIES

CURRENT LIABILITIES

Bank Loan		\$ 550,000.00
Accounts Payable		144,124.49
Sales Taxes, Payroll Tax Deductions, etc.		58,450.78
Reserve for Government Taxes, subject to final determination by taxing authorities after prepayment of \$111,650.00		113,351.47
Due to Pension Fund		3,491.37
Accrued Charges — Commissions, Wages, etc.		70,089.36
Dividend on Preferred Stock, payable 2nd January 1952	\$15,142.75	
Dividend on Common Stock payable 2nd January 1952	18,737.50	33,880.25

Total Current Liabilities

973,387.72

BALANCE DUE TO PENSION FUND — PAST SERVICE

88,082.97

RESERVES

Employees' Benefit Reserve	183,086.85	
Contingent Reserves	64,295.05	
Plant Improvement Reserve	195,127.79	
Special Depreciation Reserve to cover replacement cost	161,312.52	603,822.21

CAPITAL STOCK

Authorized —

86,530 shares of 7% Cumulative Preferred Stock of \$10.00 each \$865,300.00

250,000 shares of Common Stock of No Par Value —

Issued and Fully Paid —

86,530 shares of Preferred Stock \$865,300.00
74,950 shares of Common Stock 749,500.00 1,614,800.00

CAPITAL SURPLUS

74,000.00

EARNED SURPLUS

Balance as per statement attached 795,374.06

\$4,149,466.96

MONTREAL, 10th JANUARY 1952.

Submitted with our report of this date.

(Signed) Riddell, Stead, Graham & Hutchison,

Chartered Accountants, Auditors.





A few of the braids,
tapes, elastics and laces
produced by
Coaticook Mill



