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*Annual Report*

**CANADA NORTHERN POWER  
CORPORATION  
LIMITED**



*Year ended*  
**DECEMBER THIRTY-FIRST**  
1953

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McGILL UNIVERSITY

DIRECTORS

B. V. HARRISON	V. J. NIXON
T. IRVING	JOS. SIMARD
DAN. MCLACHLIN	P. A. THOMSON
A. J. NESBITT	JAS. B. WOODYATT

OFFICERS

A. J. NESBITT . . . . .	<i>President</i>		
B. V. HARRISON . . . . .	<i>Vice-President</i>		
A. S. ELLIOT . . . . .	<i>General Manager</i>		
T. IRVING . . . . .	<i>Treasurer</i>	V. J. NIXON . . . . .	<i>Secretary</i>
E. L. JOWETT . . . . .	<i>Asst. Treasurer</i>	J. W. CUNNINGHAM . . . . .	<i>Asst. Secretary</i>
A. H. HULL . . . . .	<i>Asst. Secretary-Treasurer</i>		

*Auditors*

P. S. ROSS & SONS

*Transfer Agents & Registrars*

MONTREAL TRUST COMPANY, MONTREAL, QUE. AND TORONTO, ONT.

*Head Office*

355 ST. JAMES STREET WEST

MONTREAL

CANADA



# CANADA NORTHERN POWER CORPORATION, LIMITED

Montreal, P.Q., March 5th, 1954.

TO THE SHAREHOLDERS:

Your Directors are pleased to present the following report for the year ended December 31st, 1953.

Gross Revenue of the Corporation and its operating subsidiary, Northern Quebec Power Company, Limited, for the fiscal year was \$3,131,806.

Dividends amounting to Sixty Cents per share on the no par value Common Stock were paid during the fiscal year.

**New Customers** The total number of customers at December 31st, 1953, was 13,244, an increase of 161 for the year.

**Construction Activities** New Distribution Substations were installed at Rouyn and Val d'Or, and the capacity of the existing Distribution Substation at Malartic was increased by 2,000 h.p. These projects have been completed and the equipment placed in operation.

Plans are now under study for the installation of a second 35,000 h.p. unit at the Quinze Power Site, which would increase the installed capacity of this plant to 125,000 h.p.

**Rates** The average Gross Revenue per kilowatt hour produced and purchased was 64 one-hundredths of a cent, and

after deducting taxes amounting to \$846,066 the revenue is reduced to 46 one-hundredths of a cent per kilowatt hour.

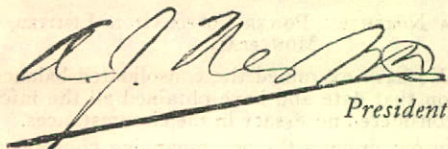
**Growth** During the 5-year period 1948 to 1953 the maximum demand for power has increased from 60,000 h.p. to 100,000 h.p., the installed generating capacity was increased from 40,000 h.p. to 90,000 h.p., and the number of customers from 10,329 to 13,244.

**Plants and Properties** The properties and equipment of the Company have been maintained in excellent condition.

**Employees** Your Directors wish to record their appreciation of the loyal and faithful service rendered by the employees of the Company.

The Annual General Meeting of the Shareholders of your Company will be held at Room 102, 355 St. James Street West, in the City of Montreal, on Tuesday, the 23rd day of March, 1954, at 3 o'clock in the afternoon.

Respectfully submitted on behalf of the Board,

  
President.

# CANADA NORTHERN POWER AND SUBSIDIARIES *Consolidated Balance Sheet*

ASSETS	1953	1952
Plant Investments:		
Properties, Plant and Equipment, Organizations, etc. at cost less net adjustment arising as a result of consolidation .....	\$17,193,938.01	\$16,907,077.78
Cash in Banks .....	250,277.60	217,586.52
Investments at book values —		
Marketable Securities .....	31,047.04	158,927.04
(Market Value — \$5,891.00)		
Other Securities .....	15,000.00	.....
Accounts Receivable including accrued revenue .....	181,352.32	201,153.68
Merchandise and Maintenance Supplies:		
Inventories as shown by book records valued at not more than cost. Book records are adjusted periodically to agree with physical inventories .....	310,407.04	333,983.25
Bonds of Subsidiary Company held for Sinking Fund — Par Value .....	120,000.00	6,012.87
Prepaid and Deferred Charges .....	70,350.73	79,275.40
Bond Issue Discount and Financing Expense, less amounts written off .....	153,747.64	164,835.64
Due from employees on purchase of Savings Bonds .....	11,777.66	11,026.69

Signed on behalf of the Board:

P. A. THOMSON }  
JAS. B. WOODYATT } Directors.

\$18,337,898.04

\$18,079,878.87

CANADA NORTHERN POWER CORPORATION LIMITED,  
MONTREAL.

*Auditors' Report to*

We have examined the consolidated balance sheet of Canada Northern Power Corporation Limited and its subsidiaries as at the date mentioned and have obtained all the information and explanations we have required. Our examination includes such tests as we considered necessary in the circumstances.

In our opinion the accompanying consolidated balance sheet and related statements of surplus and of income of the Corporation and its subsidiary as at December 31, 1953 and the results of their operations for the year ended on that date are correct.

Montreal, February 12, 1954.



**R CORPORATION, LIMITED**  
 RY COMPANY  
*as at December 31, 1953.*

LIABILITIES

	1953	1952
<b>To THE PUBLIC:</b>		
Funded Debt — Subsidiary Company		
First Mortgage Bonds — Authorized \$7,500,000.		
Issued:		
3% Serial Bonds Series "A" maturing		
annually to 1957 (of which \$150,000 is		
payable November 15, 1954) .....	\$1,200,000.00	
Redeemed to date .....	600,000.00	\$ 750,000.00
3¾% 20 year Bonds maturing November		
15, 1967 .....	4,800,000.00	
Redeemed by Sinking Fund .....	213,000.00	4,643,500.00
4½% General Mortgage Bonds maturing		
November 15, 1967		
Authorized and issued .....	3,000,000.00	
Redeemed by Sinking Fund .....	258,000.00	2,811,500.00
	2,742,000.00	2,811,500.00
	7,929,000.00	8,205,000.00
Demand Notes Payable — Power Corporation of Canada Limited....	1,550,000.00	1,655,000.00
Accounts Payable and Accrued Liabilities .....	61,495.34	108,097.47
Bond Interest Accrued .....	38,585.16	40,374.89
Provision for Taxes .....	334,116.51	407,280.56
Subsidiary Company Preferred Dividend accrued .....	4,166.67	4,166.67
Common Dividend Payable .....	60,000.00	60,000.00
Consumers' Deposits including interest .....	158,970.40	152,320.68
	10,136,334.08	10,632,240.27
<b>To THE PUBLIC SHAREHOLDERS OF SUBSIDIARY COMPANY:</b>		
5% Cumulative Redeemable Preferred Shares of \$100. each		
(Redeemable at \$103.50 upon 30 days' notice)		
Authorized and issued — 10,000 shares .....	1,000,000.00	1,000,000.00
<b>To THE SHAREHOLDERS — CANADA NORTHERN POWER CORPORATION LIMITED:</b>		
<b>Capital Stock:</b>		
Common Shares of No Par Value —		
Authorized .....	500,000 shares	
Issued .....	400,000 shares	2,148,796.00
	2,148,796.00	2,148,796.00
<b>Reserves:</b>		
Depreciation .....	6,433,044.63	5,950,158.28
Bad Debts .....	30,228.60	27,885.41
Surplus — Balance as at December 31, 1953 .....	1,043,966.04	775,270.22
Capital Deficit — no change during period .....	2,454,471.31	2,454,471.31
	\$18,337,898.04	\$18,079,878.87

*the Shareholders*

Subsidiary as at December 31, 1953 and the related statements of surplus and of income and expenditure for the year and a general review of the accounting procedures and such tests of accounting records and other supporting evidence

and expenditure are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company according to the best of our information and the explanations given to us and as shown by the books of the Companies.

P. S. Ross & Sons,  
 Chartered Accountants.



CANADA NORTHERN POWER CORPORATION, LIMITED  
AND SUBSIDIARY COMPANY

*Consolidated Statement of Income and Expenditure*

*For The Year Ended December 31, 1953*

Gross Earnings from Operations .....		\$3,131,806.18
DEDUCT:		
Operating Expenses .....	\$1,232,847.86	
Directors' Fees .....	9,300.00	
Executive Officers' Salaries .....	24,856.33	
Legal Fees .....	3,997.97	
Contribution to Pension Fund .....	23,185.00	
Provision for Bad Debts .....	3,128.68	1,297,315.84
Net Operating Profit before Interest, Depreciation and Income Taxes .....		1,834,490.34
DEDUCT:		
Interest on — Bonds of Subsidiary Company —		
First Mortgage .....	\$191,903.39	
General Mortgage .....	124,551.26	316,454.65
Consumers' Deposits .....	5,580.00	
Other Accounts .....	78,118.12	
Amortization of Bond Discount and Expense .....	11,088.00	
Provision for — Depreciation .....	500,000.00	
Income Taxes .....	421,785.00	1,333,025.77
Net Income for the year transferred to Surplus .....		\$ 501,464.57

*Consolidated Statement of Surplus*

*For The Year Ended December 31, 1953*

Balance at credit, January 1, 1953 .....		\$ 775,270.22
ADD:		
Net Income for the year transferred from Statement of Income and Expenditure .....		501,464.57
		1,276,734.79
Prior periods adjustment of income taxes and legal expense .....	\$ 43,171.87	
Profit on disposal of investments .....	\$ 7,880.00	
LESS: Amount written off investments .....	7,880.00	—
Discount on bonds purchased for sinking fund .....	14,134.38	57,306.25
		1,334,041.04
DEDUCT:		
Dividends on —		
Capital Stock of Subsidiary held by the Public .....	50,075.00	
Common Stock .....	240,000.00	290,075.00
Balance at credit, December 31, 1953 .....		\$1,043,966.04

CANADA NORTHERN POWER CORPORATION, LIMITED  
AND SUBSIDIARY COMPANY

*Consolidated Operating Statement*

*For Years Ending December 31st*

	1953	1952	1951	1950	1949
Electric Revenue .....	\$3,128,653	\$3,089,812	\$2,981,367	\$2,763,962	\$2,425,237
(A) Miscellaneous Revenue .....	3,153	6,368	3,162	3,936	35,607
Gross Revenue .....	<u>3,131,806</u>	<u>3,096,180</u>	<u>2,984,529</u>	<u>2,767,898</u>	<u>2,460,844</u>
Purchased Power .....	257,527	159,160	430,330	558,795	617,797
Operation .....	473,272	446,312	381,462	364,490	351,557
Maintenance .....	115,922	132,837	172,577	97,871	106,723
Taxes (Excluding Income Taxes)	424,281	425,711	403,620	412,470	250,768
Contribution to Pension Fund .....	23,185	22,485	18,000	15,000	18,200
	<u>1,294,187</u>	<u>1,186,505</u>	<u>1,405,989</u>	<u>1,448,626</u>	<u>1,345,045</u>
Earnings from Operations .....	<u>1,837,619</u>	<u>1,909,675</u>	<u>1,578,540</u>	<u>1,319,272</u>	<u>1,115,799</u>
Bad Debts .....	3,129	3,089	2,981	2,754	2,425
Interest .....	400,152	417,657	419,917	354,978	284,299
Depreciation .....	500,000	500,000	360,000	360,000	277,460
Amortization of Bond Discount .....	11,088	11,088	11,088	11,082	11,076
Income Taxes .....	421,785	483,150	430,025	256,671	227,028
	<u>1,336,154</u>	<u>1,414,984</u>	<u>1,224,011</u>	<u>985,485</u>	<u>802,288</u>
Net Profit for the Year .....	501,465	494,691	354,529	333,787	313,511
Discount on Bonds Redeemed .....	14,134	4,927	5,110	.....	.....
Surplus Brought Forward .....	818,442	608,899	539,333	496,938	511,112
	<u>1,334,041</u>	<u>1,108,517</u>	<u>898,972</u>	<u>830,725</u>	<u>824,623</u>
Preferred Dividends Paid .....	50,000	50,000	50,000	50,000	50,000
Common Dividends Paid .....	240,075	240,075	240,073	240,060	240,045
Net Loss on Investments .....	.....	.....	.....	.....	37,640
Premium on Bonds Redeemed .....	.....	.....	.....	1,332	.....
	<u>290,075</u>	<u>290,075</u>	<u>290,073</u>	<u>291,392</u>	<u>327,685</u>
Surplus Carried Forward .....	<u>1,043,966</u>	<u>818,442</u>	<u>608,899</u>	<u>539,333</u>	<u>496,938</u>
Customers Connected .....	13,244	13,083	12,587	12,290	11,303
Kilowatt Hour Output .....	490,835,318	494,000,730	470,583,911	446,351,901	382,539,772

(A) Miscellaneous Revenue includes merchandise net profits and losses, earnings from investments, etc.

