

Annual Report
CANADA NORTHERN POWER
CORPORATION
LIMITED



Year ended
DECEMBER THIRTY-FIRST
1952

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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, 1953.

TO THE SHAREHOLDERS:

Your Directors are pleased to present the following report for the year ended December 31st, 1952.

Gross revenue of the Corporation and its operating subsidiary, Northern Quebec Power Company, Limited, for the fiscal year was \$3,096,180, an increase of \$111,651 over the previous year. The first full year of operation of the new 34,500 h.p. unit at the Quinze Plant reflects a substantial decrease in purchased power and an increase in electric revenue. Net profit for the year was \$490,201, an increase of \$145,804 over the previous year.

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

Power Demand During the year the total output (generated and purchased) was 494,000,730 kilowatt hours, an increase of 5% over the output of 1951.

New Customers The total number of customers at December 31st, 1952 was 13,083, being an increase of 496 over the previous year.

Construction Activities The capacity of the Lake Blouin and Noranda substations was increased by the installation of additional transformer banks. A new office building at Val d'Or was completed and placed in use in December, 1952, on the site of the old structure, which was demolished.

Rates It will be seen by a comparison of the total kilowatt hour output

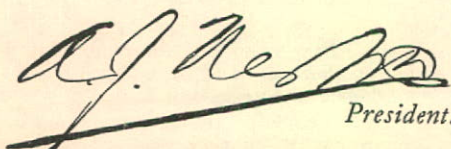
of the Company with its gross electric revenue that the rates for power furnished by your Company, when the item of taxation is taken into consideration, are as low as the cost of power to the customers of any distributor furnishing similar service on this Continent, whether privately or publicly owned. These figures show that we receive 63 one-hundredths of a cent per kilowatt hour, which, after deducting taxes totalling \$916,851, is reduced to 44 one-hundredths of a cent per kilowatt hour.

Plants and Properties The properties of the Company have been maintained in excellent condition, and are at present at a high standard of efficiency.

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 24th day of March, 1953, at 3 o'clock in the afternoon.

Respectfully submitted on behalf of the Board.


President.

CANADA NORTHERN POWER AND SUBSIDIARIES

Consolidated Balance Sheet

ASSETS	1952	1951
Plant Investments:		
Properties, Plant and Equipment, Organization, etc. at cost less net adjustment arising as a result of consolidation	\$16,907,077.78	\$16,478,812.40
Cash in Banks	217,586.52	138,520.27
Investments at book values —		
Marketable Securities	158,927.04	158,927.04
(Market Value — \$117,120)		
Accounts Receivable including accrued revenue	201,153.68	202,191.14
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	333,983.25	347,942.79
Bonds and cash held for sinking fund	6,012.87	3,767.41
Prepaid and Deferred Charges	79,275.40	81,723.75
Bond Issue Discount and Financing expense, less amounts written off	164,835.64	175,923.64
Due from employees on purchase of savings bonds	11,026.69	12,229.88

Signed on behalf of the Board:

A. J. NESBITT }
JAS. B. WOODYATT } Directors.

\$18,079,878.87	\$17,600,038.32
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CANADA NORTHERN POWER CORPORATION LIMITED,
MONTREAL.

Auditors' Report

We have examined the consolidated balance sheet of Canada Northern Power Corporation Limited and its subsidiaries as at December 31, 1952 and the results of their operations for the year ended on that date and have obtained all the information and explanations we have required. Our examination included 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 Canada Northern Power Corporation Limited and its subsidiary as at December 31, 1952 and the results of their operations for the year ended on that date are correct.

Montreal, February 16, 1953.

ER CORPORATION, LIMITED
ARY COMPANY
as at December 31, 1952

LIABILITIES

	1952	1951
TO THE PUBLIC:		
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, 1953)	\$1,200,000.00	
Redeemed to date	450,000.00	\$ 750,000.00
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3¾% 20 year Bonds Series "A" maturing		
November 15, 1967	4,800,000.00	
Redeemed by Sinking Fund	156,500.00	4,643,500.00
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4½% General Mortgage Bonds maturing		
November 15, 1967		
Authorized and issued	3,000,000.00	
Redeemed by Sinking Fund	188,500.00	2,811,500.00
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	8,205,000.00	8,477,500.00
Demand Notes Payable — Power Corporation of Canada Limited...	1,655,000.00	1,649,103.05
Accounts Payable and Accrued Liabilities	108,097.47	134,985.41
Bond Interest Accrued	40,374.89	41,588.90
Provision for Taxes	407,280.56	360,238.81
Subsidiary Company Preferred Dividend accrued	4,166.67	4,166.67
Common Dividend Payable	60,000.00	60,000.00
Consumers' Deposits, including interest	152,320.68	142,732.07
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	10,632,240.27	10,870,314.91
TO THE PUBLIC SHAREHOLDERS OF SUBSIDIARY COMPANY:		
5% Cumulative Redeemable Preferred Shares of \$100. each		
(Redeemable at \$103.50 upon 30 days' notice)		
Authorized and issued — 10,000 shares of \$100. each	1,000,000.00	1,000,000.00
TO THE SHAREHOLDERS — CANADA NORTHERN POWER CORPORATION LIMITED:		
Capital Stock:		
Common Shares of No Par Value —		
Authorized	500,000 shares	
Issued	400,000 shares	2,148,796.00
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Reserves:		
Depreciation	5,950,158.28	5,465,173.42
Bad Debts	27,885.41	25,291.88
Surplus — Balance as at December 31, 1952	775,270.22	544,933.42
Capital Deficit — no change during period	2,454,471.31	2,454,471.31
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	\$18,079,878.87	\$17,600,038.32
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to the Shareholders

subsidiary as at December 31, 1952 and the related statements of surplus and of income and expenditure for the year
 ded 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
 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, 1952

Gross Earnings from Operations		\$3,090,179.87
DEDUCT:		
Operating Expenses	\$1,125,520.62	
Directors' Fees	9,508.79	
Executive Officers' Salaries	23,958.66	
Legal Fees	1,531.40	
Contribution to Pension Fund	22,485.00	
Provision for Bad Debts	3,089.12	1,186,093.59
Net Operating Profit before Interest, Depreciation and Income Taxes		1,904,086.28
Income from Investments		6,000.00
		1,910,086.28
DEDUCT:		
Interest on — Bonds of Subsidiary Company —		
First Mortgage	\$201,706.72	
General Mortgage	127,972.71	329,679.43
— Consumers' Deposits		5,188.00
— Other Accounts		82,790.20
Amortization of Bond Discount and Expense		11,088.00
Provision for — Depreciation		500,000.00
— Income Taxes		491,140.00
		1,419,885.63
Net Income for the year transferred to Surplus		\$ 490,200.65

Consolidated Statement of Surplus

For the Year Ended December 31, 1952

Balance at credit, January 1, 1952		\$ 544,933.42
ADD:		
Net Income for the year transferred from Statement of Income and Expenditure		490,200.65
		1,035,134.07
Prior period adjustment of annual royalties less income taxes and other charges applicable thereto	\$ 25,283.65	
Discount on bonds purchased for sinking fund	4,927.50	30,211.15
		1,065,345.22
DEDUCT:		
Dividends on —		
Capital Stock of Subsidiary held by the Public	50,075.00	
Common Stock	240,000.00	290,075.00
		\$ 775,270.22
Balance at credit, December 31, 1952		\$ 775,270.22

CANADA NORTHERN POWER CORPORATION, LIMITED
AND SUBSIDIARY COMPANY

Consolidated Operating Statement

For Years Ending December 31st

	1952	1951	1950	1949	1948
Electric Revenue	\$3,089,812	\$2,981,367	\$2,763,962	\$2,425,237	\$2,001,882
(B) Miscellaneous Revenue	6,368	3,162	3,936	35,607	106,070
Gross Revenue	3,096,180	2,984,529	2,767,898	2,460,844	2,107,952
Purchased Power	159,160	430,330	558,795	617,797	316,714
Operation	442,812	381,462	364,490	351,557	343,612
Maintenance	132,837	172,577	97,871	106,723	80,794
Taxes (Excluding Income Taxes)	425,711	403,620	421,941	269,431	212,277
Contribution to Pension Fund	22,485	18,000	15,000	18,200	16,650
	1,183,005	1,405,989	1,458,097	1,363,708	970,047
Earnings from Operations	1,913,175	1,578,540	1,309,801	1,097,136	1,137,905
Bad Debts	3,089	2,981	2,754	2,425	2,002
Interest	417,657	419,917	354,978	284,299	277,017
Depreciation	500,000	360,000	360,000	277,460	275,335
Amortization of Bond Discount	11,088	11,088	11,082	11,076	11,063
Income Taxes	491,140	440,157	260,208	224,158	224,220
	1,422,974	1,234,143	989,022	799,418	789,637
Net Profit for the Year	490,201	344,397	320,779	297,718	348,268
Discount on Bonds Redeemed	4,927	5,110	.....	.....	.....
(A) Surplus Brought Forward	570,217	485,499	466,958	506,285	516,888
	1,065,345	835,006	787,737	804,003	865,156
Preferred Dividends Paid	50,000	50,000	50,000	50,000	50,000
Common Dividends Paid	240,075	240,073	240,060	240,045	240,000
Net Loss on Investments .....	.....	.....	.....	37,640	79,378
Premium on Bonds Redeemed .....	.....	.....	1,332	.....	.....
	290,075	290,073	291,392	327,685	369,378
Surplus Carried Forward	\$ 775,270	\$ 544,933	\$ 496,345	\$ 476,318	\$ 495,778
Customers Connected	13,083	12,587	12,290	11,303	10,329
Kilowatt Hour Output	494,000,730	470,583,911	446,351,901	382,539,772	295,824,896

(A) Adjusted for prior year charges.

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

