

*Annual Report*  
CANADA NORTHERN POWER  
CORPORATION  
LIMITED



*Year ended*  
DECEMBER THIRTY-FIRST  
1950

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MCGILL UNIVERSITY

OFFICERS

*President*

A. J. NESBITT, Montreal

*Vice-President and General Manager*

B. V. HARRISON, Noranda, Que.

*Directors*

B. V. HARRISON.....	Noranda
DAN. McLACHLIN.....	Arnprior
A. J. NESBITT.....	Montreal
ALFRED H. PARADIS.....	Montreal
JOS. SIMARD.....	Montreal
P. A. THOMSON.....	Montreal
JAS. B. WOODYATT.....	Montreal

*Secretary*

V. J. NIXON

*Treasurer*

T. IRVING

*Assistant Secretary*

J. W. CUNNINGHAM

*Assistant Treasurer*

E. L. JOWETT

*Assistant Secretary-Treasurer*

A. H. HULL

*Fiscal Agents*

NESBITT, THOMSON & COMPANY, LIMITED

*Auditors*

P. S. ROSS & SONS

*Transfer Agents and Registrars*

MONTREAL TRUST COMPANY, MONTREAL, P.Q., AND TORONTO, ONT.

*Head Office*

355 ST. JAMES STREET WEST  
MONTREAL  
CANADA



# CANADA NORTHERN POWER CORPORATION, LIMITED

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Montreal, P.Q., March 8th, 1951.

TO THE SHAREHOLDERS:

Your Directors are pleased to present the following report for the year ended December 31st, 1950.

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

**Power Demand** The demand for power increased by 17% during the year, output being 446,287,661 kilowatt hours compared with 382,539,772 kilowatt hours in 1949. There was an increase of 987 in the number of customers on December 31st, 1950, the figure on that date being 12,290.

**New Power Business** During the past year contracts were entered into providing for the supply of power to the following mining properties: Obaska Lake Mines, Ltd. in Louvicourt Township and Mylamaque Mines, Ltd. in Bourlamaque Township. Transmission lines connecting these properties with the Company's system were required and this work has been completed.

**Construction Activities** Work on the construction of the extension to the Company's power plant on the Quinze River is nearing completion, and when completed this plant will have been increased from 40,000 H.P. installed capacity to 84,500 H.P. installed capacity, through the raising of the

dam by 20 feet and the installation of a 34,500 H.P. unit.

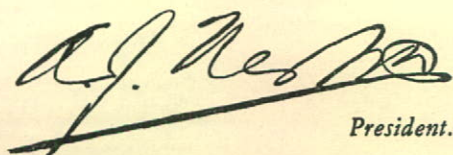
**Rates** It will be seen by a comparison of the total kilowatt hour output of the Company with its gross electric revenue that the rates for power furnished by your Company, when the item of taxation is taken into consideration, are as low as the cost of power to the customers of any organization furnishing similar service on this Continent, whether privately or publicly owned. These figures show that we receive 62 one-hundredths of a cent per kilowatt hour, which figure after deducting taxes (totalling \$682,149) is reduced to 47 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 103, 355 St. James Street West, in the City of Montreal, on Tuesday, the 27th day of March, 1951, at 3 o'clock in the afternoon.

Respectfully submitted on behalf of the Board.

  
President.

# CANADA NORTHERN POWER AND SUBSIDIARIES *Consolidated Balance Sheet*

ASSETS	1950	1949
Plant Investments:		
Properties, Plant and Equipment, Organization, etc. at cost less net adjustment arising as a result of consolidation .....	\$16,036,211.98	\$14,422,962.63
Cash in Banks .....	120,907.59	280,025.18
Investments at book values —		
Marketable Securities .....	162,427.04	282,267.04
(Market Value — \$118,340.00)		
Accounts Receivable including accrued revenue .....	200,621.30	188,056.79
Merchandise and Maintenance Supplies:		
Inventories as shown by book records valued at not more than cost as certified to by responsible officers of the Company. Book records are adjusted periodically to agree with physical inventories	318,545.79	194,148.80
Refundable portion of Excess Profits Tax .....	2,594.39	2,594.39
Prepaid and Deferred Charges .....	65,422.17	71,105.85
Bond Issue Discount and Financing expense, less amounts written off	187,011.64	198,093.64
Due from employees on purchase of savings bonds .....	8,542.35	9,613.32

Signed on behalf of the Board:

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

\$17,102,284.25

\$15,648,867.64

CANADA NORTHERN POWER CORPORATION LIMITED,  
MONTREAL.

*Auditors' Report to*

We have made an examination of the books and accounts of Canada Northern Power Corporation, Limited and its Subsidiaries. We report that in our opinion the accompanying Consolidated Balance Sheet and related Consolidated Statements of Income and Retained Earnings of the Companies at December 31, 1950 and the results of their operations for the year ended that date according to the best of our knowledge and belief are correct.

Montreal, February 19, 1951.



# ER CORPORATION, LIMITED

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as at December 31, 1950

## LIABILITIES

	1950	1949
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, 1951) .....	\$1,200,000.00	
Redeemed to date .....	150,000.00	\$ 1,200,000.00
3¾% 20 year Bonds Series "A" maturing		
November 15, 1967 .....	4,800,000.00	
Redeemed by Sinking Fund .....	50,000.00	4,750,000.00
4½% General Mortgage Bonds maturing		
November 15, 1967		
Authorized and issued .....	3,000,000.00	
Redeemed by Sinking Fund .....	60,000.00	2,940,000.00
	8,740,000.00	9,000,000.00
Demand Notes Payable — Power Corporation of Canada Limited...	1,270,439.79	
Accounts Payable and accrued liabilities .....	151,056.75	78,583.19
Bond Interest accrued .....	42,740.62	43,875.00
Provision for Taxes .....	254,464.14	200,849.13
Subsidiary Company preferred dividend accrued .....	4,166.67	4,166.67
Common Dividend payable .....	60,000.00	60,000.00
Consumers' Deposits, including interest .....	143,374.21	118,934.18
	10,666,242.18	9,506,408.17
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
Reserves:		
Depreciation .....	5,224,100.49	4,953,039.80
Bad Debts .....	22,766.59	20,272.18
Surplus — Balance as at December 31, 1950 .....	496,345.30	476,317.80
Capital Deficit (no change during period) .....	2,455,966.31	2,455,966.31
	\$17,102,284.25	\$15,648,867.64

### o the Shareholders

subsidiary for the year ended December 31, 1950 and have obtained all the information and explanations which we have required. Surplus and Income and Expenditure are properly drawn up so as to exhibit a true and correct view of the combined affairs 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, 1950

Gross Earnings from Operations .....		\$2,761,311.01
DEDUCT:		
Operating Expenses .....	\$1,413,330.11	
Directors' Fees .....	9,220.00	
Executive Officers' Salaries.....	18,743.00	
Legal Fees .....	1,804.05	
Contribution to Pension Fund .....	15,000.00	
Provision for Bad Debts .....	2,754.44	1,460,851.60
Net Operating Profit before interest, depreciation and income taxes .....		1,300,459.41
Income from Investments .....		6,587.47
		1,307,046.88
DEDUCT:		
Interest on — Bonds of Subsidiary Company —		
First Mortgage .....	\$215,275.96	
General Mortgage .....	134,751.26	350,027.22
— Consumers Deposits .....	4,215.07	
— Other Accounts .....	735.61	
Amortization of Bond Discount and Expense .....	11,082.00	
Provision for — Depreciation .....	360,000.00	
— Income Taxes .....	260,208.11	986,268.01
Net Income for the year transferred to Surplus .....		\$ 320,778.87

*Consolidated Statement of Surplus*  
For the Year Ended December 31, 1950

Balance at credit, January 1, 1950 .....		\$ 476,317.80
ADD:		
Net Income for the year transferred from Statement of Income and Expenditure .....	\$320,778.87	
Profit on disposal of investments .....	\$9,840.00	
Less: Amount written off investments .....	9,840.00	320,778.87
		797,096.67
DEDUCT:		
Prior period adjustments re Income Taxes .....	9,358.87	
Premium on bonds redeemed .....	1,332.50	10,691.37
		786,405.30
DEDUCT:		
Dividends on —		
Capital Stock of Subsidiary held by the Public .....	50,060.00	
Common Stock .....	240,000.00	290,060.00
Balance at credit, December 31, 1950 .....		\$ 496,345.30



CANADA NORTHERN POWER CORPORATION, LIMITED  
AND SUBSIDIARY COMPANY

*Consolidated Operating Statement*

*For Years Ending December 31st*

	1946	1947	1948	1949	1950
Electric Revenue .....	\$1,932,776	\$2,012,613	\$2,001,882	\$2,425,237	\$2,763,962
(B) Miscellaneous Revenue .....	77,911	70,082	106,070	35,607	3,936
Gross Revenue .....	2,010,687	2,082,695	2,107,952	2,460,844	2,767,898
Purchased Power .....	153,930	297,019	316,714	617,797	558,795
Operation .....	266,798	313,626	343,612	351,557	364,490
Maintenance.....	50,295	59,560	80,794	106,723	97,871
Taxes (Excluding Income and Profits) .....	161,364	170,898	212,277	269,431	421,941
Total Operation, Maintenance and Taxes .....	632,387	841,103	953,397	1,345,508	1,443,097
Net Earnings .....	1,378,300	1,241,592	1,154,555	1,115,336	1,324,801
Bad Debts .....	1,933	2,013	2,002	2,425	2,754
Interest .....	2,809	24,923	277,017	284,299	354,978
Depreciation .....	204,000	204,000	275,335	277,460	360,000
Employees' Pension Fund .....	11,700	13,750	16,650	18,200	15,000
Amortization of Bond Discount .....	.....	1,350	11,063	11,076	11,082
Total Deductions .....	220,442	246,036	582,067	593,460	743,814
Net Earnings after Deductions .....	1,157,858	995,556	572,488	521,876	580,987
Income and Excess Profits Taxes .....	499,480	353,030	224,220	224,158	260,208
Surplus for Year .....	658,378	642,526	348,268	297,718	320,779
(A) Surplus brought forward .....	940,319	973,584	516,888	506,285	466,958
	1,598,697	1,616,110	865,156	804,003	787,737
Preferred Dividends Paid .....	385,000	404,090	50,000	50,000	50,000
Common Dividends Paid .....	240,113	240,102	240,000	240,045	240,060
Net Adjustment re Financing .....	.....	462,030	.....	.....	.....
Net Loss on Investments .....	.....	.....	79,378	37,640	.....
Premium on Bonds Redeemed .....	.....	.....	.....	.....	1,332
Surplus Carried Forward .....	625,113	1,106,222	369,378	327,685	291,392
	<u>\$ 973,584</u>	<u>\$ 509,888</u>	<u>\$ 495,778</u>	<u>\$ 476,318</u>	<u>\$ 496,345</u>
Customers Connected .....	8,643	9,529	10,329	11,303	12,290
Shareholders .....	3,855	2,986	1,595	1,538	1,469
Kilowatt Hour Output .....	<u>248,064,944</u>	<u>274,144,524</u>	<u>295,824,896</u>	<u>382,539,772</u>	<u>446,287,661</u>

(A) Adjusted for prior year charges.

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

