

*Annual Report*  
CANADA NORTHERN POWER  
CORPORATION  
LIMITED



*Year ended*  
DECEMBER THIRTY-FIRST  
1946

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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  
L. C. HASKELL.....Montreal  
DAN. McLACHLIN.....Arnprior  
A. J. NESBITT.....Montreal  
ALFRED H. PARADIS.....Montreal  
JOS. SIMARD.....Montreal  
P. A. THOMSON.....Montreal  
JAS. B. WOODYATT.....Montreal

*Secretary*

L. C. HASKELL

*Treasurer*

T. IRVING

*Assistant Secretary*

V. J. NIXON

*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

Montreal, P.Q., March 7th, 1947.

TO THE SHAREHOLDERS:

In submitting the Annual Report of your Company for the year ended December 31st, 1946, your Directors are pleased to report satisfactory growth and progress in the Company's business, as will be seen by examination of the Comparative Statement of Operations herewith.

Regular dividends on the 7% Cumulative Preferred Stock and dividends amounting to Sixty Cents per share on the no par value Common Stock were paid during the year.

**Power Demand** The demand for power increased slightly during the year, output being 248,064,944 kilowatt hours compared with 227,306,788 kilowatt hours in 1945. There was an increase of 1,333 in the number of customers on December 31st, 1946, the figure on that date being 8,643.

**New Power Customers** During the past year contracts were entered into providing for the supply of power to eleven new mining properties located in Northwestern Quebec.

**Construction Activities** Transmission lines connecting most of the above properties with the Company's system were required, and this construction work is now completed.

**New Business** On March 30th, 1946, your Company purchased the distribution system of the Lamaque Mining Company, serving 422 customers in the Town of Bourlamaque, Que.

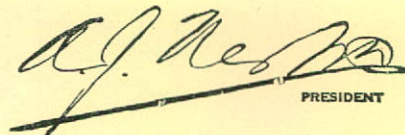
**Rates** It will be seen by a comparison of the total kilowatt hour output of the Company with its gross electric revenue that the rates for power furnished by your Company, when the item of taxation is taken into consideration, are as low as the cost of power to the customers of any organization furnishing similar service on this Continent, whether privately or publicly owned. These figures show that we receive 78 one-hundredths of a cent per kilowatt hour, which, after deducting taxes totalling \$660,844, is reduced to 51 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 25th day of March, 1947, at 3 o'clock in the afternoon.

Respectfully submitted on behalf of the Board.

  
PRESIDENT

# CANADA NORTHERN POWER AND SUBSIDIARIES

## *Consolidated Balance Sheet*

ASSETS	1946	1945
Plant Investment:		
Properties, Plant and Equipment, Organization, etc., at cost less net adjustment arising as a result of consolidation . . . . .	\$ 9,462,644.99	\$ 9,269,045.40
Cash in Banks . . . . .	416,435.84	472,638.31
Investments:		
Marketable Securities . . . . . (Market Value—\$417,560.00)	\$450,318.73	
Other Investments at book value . . . . .	361,534.24	
Net Equity of Investment in Subsidiary Company represented by estimated proceeds on final winding-up . . . . .	134,437.29	946,290.26
		836,064.73
Accounts Receivable including accrued revenue . . . . .	152,294.23	141,777.87
Due from Employees on purchase of Savings Bonds . . . . .	4,253.01	6,216.60
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 . . . . .	90,048.33	63,382.44
Refundable portion of Excess Profits Tax . . . . .	2,909.78	2,909.78
Prepaid and Deferred Charges . . . . .	47,598.10	50,145.15
Suspense Account—re Aldermac Property . . . . .	18,375.00	. . . . .
Approved on behalf of the Board:		
A. J. NESBITT JAS. B. WOODYATT	} Directors.	<div style="border-top: 1px solid black; border-bottom: 3px double black; width: 100%;"></div>
		<div style="border-top: 1px solid black; border-bottom: 3px double black; width: 100%;"></div>
	\$11,140,849.54	\$10,842,180.28

*Auditors' Report*

CANADA NORTHERN POWER CORPORATION LIMITED,  
MONTREAL.

We have made an examination of the books and accounts of Canada Northern Power Co. and all the information and explanations which we have required.

We report that, in our opinion, the accompanying Consolidated Balance Sheet and related statements exhibit a true and correct view of the combined affairs of the Companies and the results of operations and explanations given to us and as shown by the books of the Companies.

Montreal, February 24, 1947.



# ER CORPORATION, LIMITED

RY COMPANIES

as at December 31, 1946

## LIABILITIES

	1946	1945
TO THE PUBLIC:		
Accounts Payable and accrued liabilities.....	\$ 67,993.35	\$ 47,423.37
Provision for Taxes.....	301,916.39	271,907.67
Preferred Dividend payable.....	96,250.00	96,250.00
Common Dividend payable.....	60,000.00	60,000.00
Consumers' Deposits including interest.....	111,854.75	106,426.88
	\$ 638,014.49	\$ 582,007.92
TO THE PUBLIC SHAREHOLDERS OF SUBSIDIARY:		
Common Shares—No Par Value—Net equity.....	2,141.29	2,141.29
TO THE SHAREHOLDERS—		
CANADA NORTHERN POWER CORPORATION LIMITED:		
Capital Stock—		
7% Cumulative Preferred Shares of \$100. each (Redeemable at \$110. and accrued dividends after 30 days' notice).		
Authorized.....	75,000 shares	
Issued.....	55,000 shares	5,500,000.00
Common Shares of No Par Value—		
Authorized.....	500,000 shares	
Issued.....	400,000 shares	2,148,796.00
Reserves—		
Depreciation.....	4,320,990.91	4,116,210.70
Bad Debts.....	13,962.81	10,758.74
Miscellaneous.....	1,414.00	.....
Surplus—Balance as at December 31, 1946.....	973,583.80	940,319.39
Capital Deficit—(No change during period).....(Dr.)	2,458,053.76	2,458,053.76
	\$11,140,849.54	\$10,842,180.28

to the Shareholders

orporation Limited and its subsidiaries for the year ended December 31, 1946, and have obtained

Consolidated Statements of Surplus and of Income and Expenditure are properly drawn up so as of their operations for the year ended that date, according to the best of our information and the

P. S. ROSS & SONS,  
Chartered Accountants.

CANADA NORTHERN POWER CORPORATION, LIMITED  
AND SUBSIDIARY COMPANIES

*Consolidated Statement of Income and Expenditure*  
*For the Year Ended December 31, 1946*

Gross Earnings from Operations.....		\$1,994,340.70
DEDUCT:		
Operating Expenses.....	\$603,458.16	
Directors' Fees.....	10,150.00	
Executive Officers' Salaries.....	17,151.00	
Legal Fees.....	1,628.41	
Contribution to Pension Fund.....	11,700.00	
Provision for Bad Debts.....	1,932.77	646,020.34
Net Operating Profit before interest, depreciation and income and excess profits taxes.....		1,348,320.36
Income from Investments.....		16,574.44
		\$1,364,894.80
DEDUCT:		
Interest on—Consumers' Deposits.....	\$ 2,768.10	
—Other.....	40.68	
Provision for—Depreciation.....	204,000.00	
—Income and Excess Profits Taxes.....	499,480.00	706,288.78
Net Income for the year transferred to Surplus.....		\$ 658,606.02

*Consolidated Statement of Surplus*  
*For the Year Ended December 31, 1946*

Balance at Credit, January 1, 1946.....		\$ 940,319.39
ADD:		
Net Income for the year transferred from Consolidated Statement of Income and Expenditure.....	\$658,606.02	
LESS: Loss on Sale of Investments.....	228.61	658,377.41
		\$1,598,696.80
DEDUCT:		
Dividends on—		
Capital Stock of Subsidiary held by Public.....	\$ 113.00	
7% Cumulative Preferred Stock.....	385,000.00	
Common Stock.....	240,000.00	625,113.00
Balance at Credit, December 31, 1946.....		\$ 973,583.80

This is the statement referred to in our accompanying report dated February 24, 1947.

P. S. ROSS & SONS,  
Chartered Accountants.



CANADA NORTHERN POWER CORPORATION, LIMITED  
AND SUBSIDIARY COMPANIES

*Consolidated Operating Statement*

*For Years Ending December 31st*

	1942	1943	1944	See Note (C) 1945	1946
Electric Revenue.....	\$4,403,934	\$4,070,001	\$3,844,008	\$1,688,778	\$1,932,776
(B) Miscellaneous Revenue.....	136,262	163,228	178,207	183,384	77,911
Gross Revenue.....	4,540,196	4,233,229	4,022,215	1,872,162	2,010,687
Purchased Power.....	683,844	545,471	362,773	89,790	153,930
Operation.....	725,678	726,474	729,495	266,465	266,798
Maintenance.....	113,542	111,530	106,665	34,228	50,295
Taxes (Excluding Income and Profits).....	273,541	259,109	244,036	137,103	161,364
Total Operation, Maintenance and Taxes.....	1,796,605	1,642,584	1,442,969	527,586	632,387
Net Earnings.....	2,743,591	2,590,645	2,579,246	1,344,576	1,378,300
Bad Debts.....	5,140	4,926	4,108	1,762	1,933
Interest.....	708,094	704,499	709,491	238,931	2,809
Depreciation.....	732,000	732,000	688,000	204,000	204,000
Employees' Pension Fund.....	25,000	26,850	26,000	8,750	11,700
Net Loss on Sale of Merchandise and Power Stores.....			62,902		
Total Deductions.....	1,470,234	1,468,275	1,490,501	453,443	220,442
Net Earnings after Deductions...	1,273,357	1,122,370	1,088,745	891,133	1,157,858
Income and Excess Profits Taxes.....	498,729	455,856	455,201	398,201	499,480
Surplus for Year.....	774,628	666,514	633,544	492,932	658,378
(A) Surplus brought forward.....	2,636,300	2,726,156	2,699,644	2,632,178	940,319
	3,410,928	3,392,670	3,333,188	3,125,110	1,598,697
Preferred Dividends Paid.....	454,168	451,789	450,965	398,285	385,000
Common Dividends Paid.....	242,143	242,125	240,822	240,100	240,113
Net Adjustment re Redemption of Canada Northern Power Bonds and Preferred Stock of Subsidiary.....				1,546,406	
Surplus Carried Forward.....	\$2,714,617	\$2,698,756	\$2,641,401	\$ 940,319	\$ 973,584
Sinking Fund Instalments Paid...	\$ 304,825	\$ 318,500			
Customers Connected.....	23,344	23,249	24,148	7,310	8,643
Shareholders.....	4,012	4,075	4,187	3,921	3,855
Kilowatt Hour Output.....	630,134,621	568,162,306	546,581,153	227,306,788	248,064,944

(A) Adjusted for prior year charges.

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

(C) After sale of physical assets of Northern Ontario Power Co., Ltd.

