

*ANNUAL REPORT*  
CANADA NORTHERN POWER  
CORPORATION, LIMITED



1927



CANADA NORTHERN POWER  
CORPORATION, LIMITED



YEAR ENDED DECEMBER 31ST  
1927

# CANADA NORTHERN POWER CORPORATION, LIMITED

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## *President*

A. J. NESBITT, Montreal

## *Vice-President*

JAS. B. WOODYATT, Montreal

## *Directors*

J. H. BLACK.....Toronto  
F. O. BLACKWELL.....New York  
DAN. McLACHLIN.....Arnprior  
MAJ.-GEN. THE HON. S. C. MEWBURN, C.M.G., Hamilton  
A. J. NESBITT.....Montreal  
P. A. THOMSON.....Montreal  
N. A. TIMMINS.....Montreal  
E. R. WOOD.....Toronto  
JAS. B. WOODYATT.....Montreal

## *General Manager*

B. V. HARRISON, New Liskeard

## *Secretary*

L. C. HASKELL, Montreal

## *Treasurer*

CHAS. JOHNSTONE, Montreal

## *Assistant Secretary-Treasurer*

H. A. SEYMOUR, New Liskeard

## *Assistant Secretary*

M. M. COX, Montreal

## *Assistant Treasurer*

F. D. LAMONT, Montreal

## *Fiscal Agents*

NESBITT, THOMSON & COMPANY, LIMITED

## *Auditors*

MESSRS. P. S. ROSS & SONS

HEAD OFFICE.....Montreal

# Canada Northern Power Corporation, Limited

TO THE SHAREHOLDERS:

Your directors are pleased to submit the Third Annual Report of your Company for the year ending December 31st 1927, together with a comparative operating statement for the past three years, which shows that your Company has again enjoyed a very substantial growth in its business.

During the past year the various properties controlled by your Company have been interconnected and the work of installing two new 13,500 K.V.A. units at the Quinze power plant to take care of the increasing requirements of the area is being proceeded with as rapidly as possible. These two new units will be in operation within the next few months.

The growth in the Kirkland Lake district has been very rapid and extra facilities have been provided in this camp during the past year.

The output of the plant at Indian Chutes has been made available to the Kirkland Lake System by means of a new transmission line between these two points and in addition a large frequency changer set of 6000 H.P. capacity has been installed at Kirkland Lake to operate in conjunction with the new line connecting up the Quinze-Rouyn system and the Kirkland Lake area. The frequency changer set will permit the interchange of power between your 25 cycle and 60 cycle systems with economy in the use of water at your various hydro electric plants and improvement in service. The lines from Cobalt to Kirkland Lake have also been increased in carrying capacity.

During the past year prospecting has been very active in the area supplied by your Company and several new mines have installed equipment and are either taking power or have contracted for power.

The Noranda Smelter is in operation and is taking some 2000 H.P. Other properties in the Rouyn area have entered into contracts and a steady growth is indicated in this camp.

At High Falls, on the Montreal River, a new storage dam has been constructed which will improve the regulation of this river with consequent benefit to your power plants at Indian Chutes, Fountain Falls, Hound Chutes and Ragged Chutes.

The property and plants of your Company have been kept in excellent condition and greatly improved during the past year, so that your Company is unquestionably in a better position to take care of the growing demands for its service than at any time in its history.

As will be noted from the report, a considerable portion of the cash and securities on hand in 1926 have been invested in the plant, but at the same time the depreciation reserve has been increased by an amount which your directors feel to be adequate.

During the year your Company, feeling that it was advisable to stimulate domestic business and be of greater assistance to the mines, has commenced the active merchandising of electrical supplies at strategic points in its area. The business which has accrued to date has been very satisfactory and the ability to accommodate customers will be of great assistance to them. In accordance with this policy your Company has found it necessary to provide more up-to-date premises for its operations and has completed new combined offices and stores at New Liskeard and Kirkland Lake and has under construction a suitable building at Timmins.

About the middle of the year, Mr. D. G. Allan, General Manager of the Company found it advisable, on account of the health of Mrs. Allan, to retire from active business. His place has been taken by Mr. B. V. Harrison, who has been for a number of years Assistant Manager of the Company. Mr. Harrison has had a very wide experience with the various Power Companies which have served the North Country, and he is very widely and favorably known among the customers of the Company.

Your directors look forward to continued progress during the coming year for your Company and desire to take occasion to express their appreciation for the loyal and efficient service rendered during the year by the members of the organization.

The foregoing covers the major activities of your Company for the period ending December 31st, 1927. Since the end of the fiscal year your Directors have developed plans for consolidating and simplifying the financial structure of your Company and its subsidiaries. These plans are set forth in greater detail than space here would permit in a circular letter issued by the fiscal agents of the Company announcing the issue of 5% 25-year Collateral Trust Sinking Fund Gold Bonds of this Company, a copy of which is enclosed herewith.

Respectfully submitted,

A. J. NESBITT,  
President.

# CANADA NORTHERN POWER

AND SUBSIDIARIES

*Consolidated Assets and Liabilities*

*Year Ending December 31st, 1927*

## ASSETS

	Dec. 31, 1927	Dec. 31, 1926
Plant Investment.....	\$28,360,533.92	\$26,707,295.64
Cash on Hand and on Call.....	422,318.55	1,278,456.74
Victory Bonds and Other Marketable Securities.....	15,500.00	435,500.00
Accounts Receivable.....	311,524.65	277,551.60
Materials and Supplies.....	182,998.85	156,499.31
Prepaid Accounts.....	42,635.80	32,150.16
Cash on Deposit for Redemption of Bonds.....	102,307.56	73,605.17
	<u>\$29,437,819.33</u>	<u>\$28,961,058.62</u>

## *Revenue Account*

For Year Ending December 31st, 1927.

Gross Earnings.....		\$2,812,514.82
Expenses.....	\$850,812.86	
Interest.....	898,336.99	
Bad Debts written off.....	2,174.14	
Balance.....	1,061,190.83	
	<u>\$2,812,514.82</u>	<u>\$2,812,514.82</u>

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SUBSIDIARIES

## Annual Statement

December 31st, 1927

### LIABILITIES

#### To PUBLIC:

	Dec. 31, 1927	Dec. 31, 1926
Funded Debt . . . . .	\$14,627,000.00	\$14,826,500.00
Accounts Payable . . . . .	593,023.25	378,343.70
Common Dividends of Subsidiaries Payable Jan. 1928 . . . . .	8,369.25	9,601.25
Preferred Dividends of Subsidiaries Payable January 1928 . . . . .	143,771.00	153,728.50
Customers' Deposits and Accrued Interest . . . . .	132,082.45	148,425.94
Bond Interest Matured . . . . .		8,378.74
Bond Interest Accrued . . . . .	211,730.00	218,765.00
Income Tax Reserve . . . . .	72,892.99	71,859.84
	<u>\$15,788,868.94</u>	<u>\$15,815,602.97</u>

#### To PUBLIC SHAREHOLDERS OF SUBSIDIARIES:

Capital Stock—		
Preferred . . . . .	\$1,875,700.00	\$2,338,000.00
Common . . . . .	1,010,605.00	1,181,075.00
Minority Interest in Surplus of Subsidiaries . . . . .	54,523.54	59,900.06
	<u>\$2,940,828.54</u>	<u>\$3,578,975.06</u>

#### To SHAREHOLDERS—CANADA NORTHERN POWER CORPORATION LIMITED:

Capital Stock—		
Preferred (50,000 shares \$100 each) . . . . .	\$5,000,000.00	\$4,670,200.00
Common (50,000 shares No Par Value) . . . . .	598,616.00	404,710.00
Reserves:		
Depreciation . . . . .	\$4,047,247.24	\$3,591,941.90
Miscellaneous . . . . .	272,263.78	205,214.95
Profit and Loss . . . . .	789,994.83	694,413.74
	<u>\$29,437,819.33</u>	<u>\$28,961,058.62</u>

# Canada Northern Power Corporation, Limited and Subsidiaries

## *Profit and Loss Account*

For Year Ending December 31st, 1927

Balance at Credit 31st December.....		\$694,413.74
Adjustment—Prior Year.....		5,019.56
“ “ (Minority Interest).....		6,226.52
		\$705,659.82
Earnings for Year 1927.....		1,061,190.83
Dividends on Preferred Stocks.....	\$465,511.82	
Dividends on Common Stocks of Subsidiaries.....	34,494.00	
Minority Interest in Annual Surplus of Subsidiaries.....	850.00	
Depreciation Reserve.....	476,000.00	
Balance.....	789,994.83	
		\$1,766,850.65
		\$1,766,850.65

Signed on Behalf of the Board,

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

## *Auditors' Report*

We have audited the books of account of the Canada Northern Power Corporation, Limited, and its Subsidiary Companies—

Great Northern Power Corporation, Limited  
Porcupine Power & Telephone Company, Limited  
Northern Canada Power, Limited, and  
The Quinze Power Company, Limited.

We submit the Consolidated Balance Sheet and relative Profit and Loss Account as at 31st December 1927 drawn from the statements of the foregoing Companies together with the Balance Sheet as at 31st December 1927 of the—Northern Ontario Light & Power Company, Limited, which has been certified to and reported on by Messrs. Clarkson, Gordon & Dilworth, Chartered Accountants, Toronto. This, in our opinion, exhibits a true and correct view of the state of the affairs of the combined companies as at that date, according to the best of our information and the explanations given to us, and as shown by the books of account examined by us.

MONTREAL, 10th MARCH, 1928.

P. S. ROSS & SONS,  
Chartered Accountants.



# Canada Northern Power Corporation, Limited

## *Consolidated Operating Statement*

For Years Ending December 31st.

	1925	1926	1927
Gross Earnings.....	\$1,035,851	\$2,562,185	\$2,812,514
Operation and Maintenance.....	212,499	518,797	593,723
Taxes.....	135,189	227,641	257,090
	<u>\$ 347,688</u>	<u>\$ 746,439</u>	<u>\$ 850,813</u>
Net Earnings.....	668,163	1,815,746	1,961,701
Bad Debts.....		105	2,174
Discounts, etc., on Securities.....	189,407		
Interest.....	290,027	823,355	898,337
	<u>\$ 479,434</u>	<u>\$ 823,461</u>	<u>\$ 900,511</u>
Surplus for Year.....	208,728	992,284	1,061,190
Surplus brought forward.....	1,052,858	A 655,780	B 705,660
	<u>\$1,261,587</u>	<u>\$1,648,065</u>	<u>\$1,766,850</u>
Preferred Dividends Paid.....	267,006	449,309	465,512
Common Dividends Paid.....	30,360	79,238	34,494
Minority Interest in Surplus.....	14,928	104	850
Transferred to Depreciation Reserve.....	274,364	425,000	476,000
Settlement of Law Suit.....	575,000		
	<u>\$1,161,659</u>	<u>\$ 953,651</u>	<u>\$ 976,856</u>
Surplus Carried Forward.....	<u>99,927</u>	<u>694,413</u>	<u>789,994</u>

A—Includes Surplus of additional Companies acquired during the year 1926.

B—Adjusted.





