

FOREIGN POWER SECURITIES
CORPORATION, LIMITED

ANNUAL REPORT

For the year ending October 31st, 1944

OFFICERS

President

A. J. NESBITT, Montreal

Vice-President

JAS. B. WOODYATT, Montreal

Directors

Robert Despres Paris, France
L. C. Haskell Montreal
A. J. Nesbitt Montreal
E. R. Parkins, K.C. Montreal
P. A. Thomson Montreal
Guy M. Todd Montreal
Jas. B. Woodyatt Montreal

Secretary

L. C. Haskell

Treasurer

T. Irving

Assistant-Secretary

V. J. Nixon

Assistant-Treasurer

E. L. Jowett

Bankers.....Royal Bank of Canada
Fiscal Agents....Nesbitt, Thomson & Co., Ltd.
Auditors.....Price, Waterhouse & Company
Trustee & Transfer Agents, Montreal Trust Co.

Head Office

355 St. James Street West
Montreal, Canada

FOREIGN POWER SECURITIES CORPORATION, LIMITED

STATEMENT OF REVENUE AND EXPENSE

For the year ending October 31st, 1944

Dividends and Interest on Investments		\$ 20,758.82
<u>Deduct:</u>		
Interest on Bonds	\$101,490.00	
Directors' Fees	640.00	
Legal Fees	70.00	
Executive Salaries	600.00	
Expenses	3,326.10	106,126.10
Excess of expenditure over revenue for the year ending October 31st, 1944		\$ 85,367.28
Discount on Company's Bonds purchased for redemption during year		2,280.00
Balance being loss for the year ending October 31st, 1944..		\$ 83,087.28

STATEMENT OF DEFICIT ACCOUNT

For the year ending October 31st, 1944

Earned Surplus at October 31st, 1943		\$ 55,449.38
<u>Add:</u>		
Interest cancelled on bonds redeemed	\$ 705.00	
Profit on sale of Investments	149.88	854.88
		\$ 56,304.26
<u>Deduct:</u>		
Transfer to Investment Reserve	\$ 149.88	
Loss for the year ending October 31st, 1944, per statement attached	83,087.28	83,237.16
Deficit balance at October 31st, 1944		\$ 26,932.90

Auditors' Report to the Shareholders

We have made an examination of the books and accounts of Foreign Power Securities Corporation Limited, for the year ending October 31st, 1944, and, subject to the following reservation, have received all the information and explanations which we have required. We have verified the holdings in Canadian and American Companies and the Canadian Government Bonds either by certificates from the depositaries or by a physical inspection. We have, however, been unable to verify the holdings in French Companies which, at the time of the invasion of France in May 1940, were in France with the Paris Agents of the Montreal Trust Company. We report that, in our opinion, the above Balance Sheet at October 31st, 1944, read in conjunction with the notes appearing thereon is properly drawn up so as to exhibit a true and correct view of the state of the affairs of Foreign Power Securities Corporation Limited at that date, according to the best of our information and the explanations given to us and as shown by the books of the Corporation.

(Signed) PRICE, WATERHOUSE & CO.,
Auditors.

Montreal, November 9th, 1944.

FOREIGN POWER SECURITIES CORPORATION, LIMITED

355 St. James Street West

MONTREAL

January 5th, 1945.

To the Shareholders:—

Your Directors submit herewith the Annual Report for the year ended October 31st, 1944.

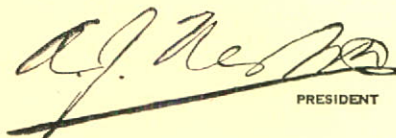
War conditions continue to keep obscure the situation in regard to the status and value of holdings of your Company in French securities which at the time of the invasion of France in May, 1940, were held by the Paris (France) agents of the Montreal Trust Company, Trustee.

During the year your Company purchased \$3,000 of its Bonds, which were cancelled, thus reducing the issue outstanding to \$1,691,500.

Gross Revenue from dividends and interest on investments from holdings in Canada during the year ended October 31st, 1944, amounted to \$20,758.82 and Net Revenue to \$16,122.72. Interest on Funded Debt amounted to \$101,490.00, leaving a deficit on the year's operations of \$85,367.28. Earnings not being sufficient to take care of Bond Interest, the Trustee was so advised.

Payment of Bond Interest Coupon No. 22, due June 1st, 1940, and of subsequent due coupons will necessarily have to be deferred until conclusion of the European war clarifies the status of investments in France.

Respectfully submitted on behalf of the Board.


PRESIDENT

