

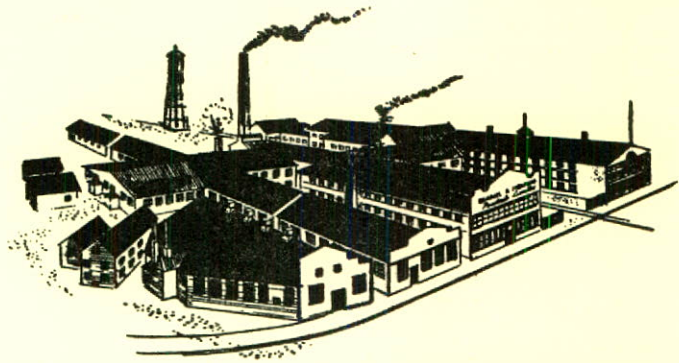
1959

ANNUAL
REPORT

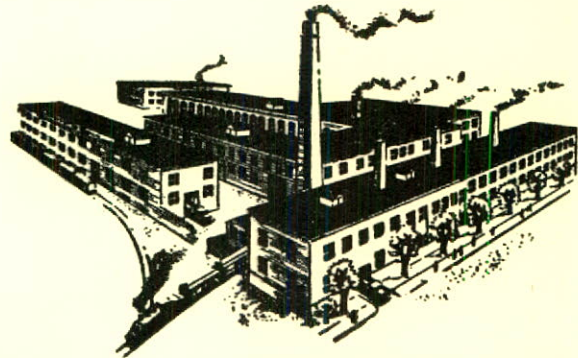


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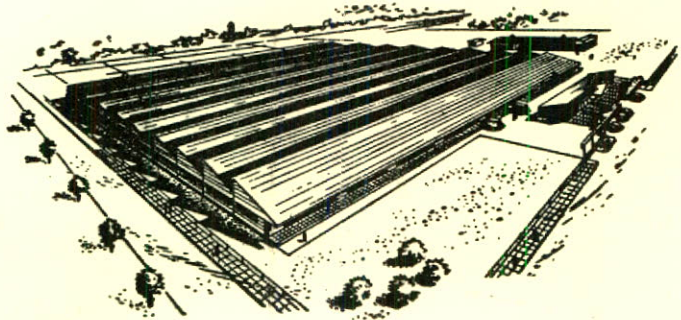




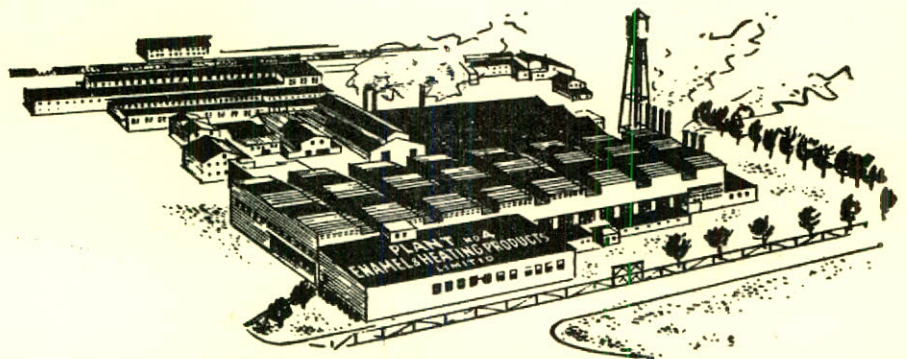
GENERAL OFFICES AND PLANT No. 1, SACKVILLE, N. B.



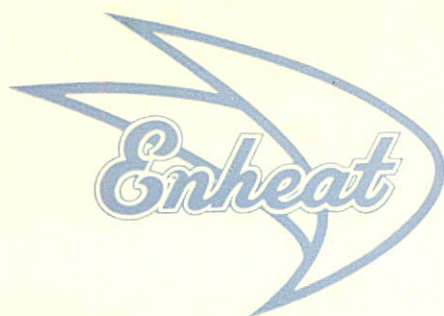
PLANT No. 2, AMHERST, N. S.



AFFILIATED PLANT, JOHANNESBURG, SOUTH AFRICA



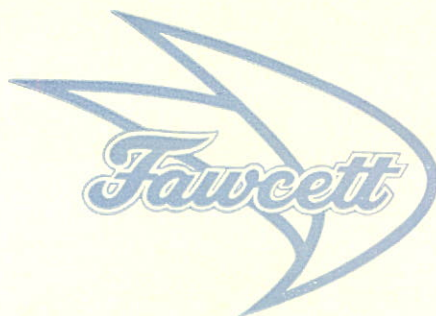
PLANT No. 4 AND AIRCRAFT DIVISION, AMHERST, N. S.



ANNUAL

REPORT

FOR THE YEAR ENDED DECEMBER 31ST 1959



ENAMEL & HEATING PRODUCTS LIMITED

ENAMEL & HEATING PRODUCTS LIMITED

SACKVILLE, N. B.

DIRECTORS

	N. A. Hesler	
N. T. Avard		A. M. MacKay
A. R. French		F. R. Rand
H. Goldstein		W. J. Wienand, Jr.
H. G. Hesler		C. N. Wilson

OFFICERS

N. A. Hesler	President and General Manager
N. T. Avard	Vice-President
A. R. French	Vice-President, Assistant General Manager
	Secretary and Treasurer
F. R. Rand	Vice-President
W. J. Wienand, Jr.	Vice-President in charge of Aircraft Division
S. R. Donaldson	General Superintendent
A. M. Latta	General Sales Manager
H. G. Burnett	Advertising Manager
R. B. Fullerton	Assistant Treasurer

AUDITORS

Ross, Touche & Co.

ADVERTISING AGENCY

Imperial Advertising Limited,
Halifax, N. S.

TRANSFER AGENTS

Montreal Trust Company	The Central Trust Co., of Canada
Montreal, Que.	Moncton, N. B. — Amherst, N. S.

REGISTRARS

Canadian Trust Company	The Central Trust Co., of Canada
Montreal, Que.	Moncton, N. B. — Amherst, N. S.

President's Report

Sackville, N. B.
February 29, 1960.

TO THE SHAREHOLDERS OF
ENAMEL & HEATING PRODUCTS LIMITED

Your Board of Directors has pleasure in submitting herewith the Annual Report for the year ended December 31, 1959, together with a copy of the Auditors' Report.

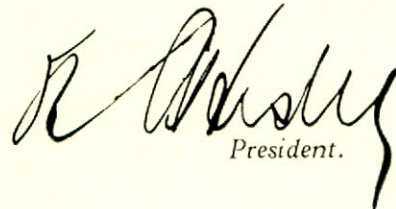
Net profits of the Company after provision for normal depreciation in accordance with the Income Tax Regulations, and provision for Income Taxes, amounted to \$205,807.66, being an increase of 15% over the previous year which has been credited to Retained Earnings.

Sales in our Stove, Furnace and Rolling Mill Divisions show an increase of 18.9% over the year 1958. However, a temporary decrease in our Aircraft volume during the last quarter of the year affected our total sales, resulting in an overall net increase of 4.48%.

Our Stove and Heater Division is still faced with extensive competition from American imports, and the same thing can be said of our Rolling Mill Division as a result of competition from European sources.

It is encouraging to state that excellent Labor Relations continue to exist and we wish to record our appreciation for the co-operation on the part of the Unions and for the fine contribution made by the employees throughout the entire Organization.

Respectfully submitted on behalf of the Board of Directors.


President.

ENAMEL & HEATING

Balance Sheet as at

(With Comparative Figures)

ASSETS		1959	1958
CURRENT:			
Cash		\$ 149,139.26	\$ 46,289.62
Accounts receivable — less reserve		1,643,636.74	1,278,640.87
Inventories — Raw materials, supplies, work in process and finished goods; physically taken and priced at the lower of cost or market value		2,249,977.80	2,243,881.76
		<u>4,042,753.80</u>	<u>3,568,812.25</u>
INVESTMENT SECURITIES AT COST		\$ 1,500.00	\$ 1,500.00
FIXED:			
Land		\$ 69,200.00	\$ 69,200.00
Buildings		2,248,136.25	2,281,184.70
Machinery and Equipment		1,659,538.49	1,610,518.58
Motor Vehicles		63,390.89	55,654.98
		<u>\$4,040,265.63</u>	<u>\$4,016,558.26</u>
As appraised by Canadian Appraisal Company Limited under date of August 27, 1955, of Fixed Assets as of December 31, 1954 on basis of depreciated replacement value plus subsequent additions at cost, less disposals.			
DEFERRED DEBITS:			
Prepaid insurance		\$ 15,755.48	\$ 10,992.49
Other		23,485.11	20,871.24
		<u>\$ 39,240.59</u>	<u>\$ 31,863.73</u>
		<u><u>\$8,123,760.02</u></u>	<u><u>\$7,618,734.24</u></u>

Signed on behalf of the Board:

N. A. HESLER, Director.

N. T. AVARD, Director.

PRODUCTS, LIMITED

December 31, 1959

as at December 31, 1958)

LIABILITIES

CURRENT:	1959	1958
Bank Loan — secured under Section 88 of the Bank Act	\$ 720,000.00	\$ 650,000.00
Bills and Accounts Payable	730,849.60	463,674.95
Accrued Liabilities.....	69,094.67	64,564.37
Accrued Debenture Interest.....	12,468.75	13,062.50
Provision for taxes on income.....	135,129.85	105,390.06
Dividend on capital stock payable January 30, 1960	20,650.00	17,700.00
	<u>\$1,688,192.87</u>	<u>\$1,314,391.88</u>
 FUNDED DEBT:		
4 $\frac{3}{4}$ % Sinking Fund Debentures, Series "A", due April 1, 1976:		
Authorized and issued	\$1,250,000.00	\$1,250,000.00
Less: Debentures purchased under Sinking Fund provisions and cancelled	200,000.00	150,000.00
	<u>\$1,050,000.00</u>	<u>\$1,100,000.00</u>
 ACCUMULATED DEPRECIATION:		
Buildings	403,441.71	396,310.68
Machinery and Equipment	851,835.33	800,446.70
Motor Vehicles	35,395.75	32,535.08
	<u>\$1,290,672.79</u>	<u>\$1,229,292.46</u>
 CAPITAL STOCK:		
Preferred shares — 4% non-cumulative redeemable of \$2.50 par value:		
Authorized and issued — 118,000 shares	295,000.00	295,000.00
Common shares of no par value		
Class "A":		
Authorized — 250,000 shares		
Issued — 118,000 shares	219,884.36	219,884.36
Class "B":		
Authorized — 250,000 shares		
Issued — 118,000 shares	219,884.35	219,884.35
	<u>\$ 734,768.71</u>	<u>\$ 734,768.71</u>
 EARNINGS RETAINED IN THE BUSINESS — per statement attached	\$1,140,440.18	\$ 991,490.04
Increase in value of fixed assets over depreciated cost in accordance with appraisal	2,219,685.47	2,248,791.15
	<u>\$8,123,760.02</u>	<u>\$7,618,734.24</u>

Submitted with our accompanying
report dated February 29, 1960.

ROSS, TOUCHE & CO.
Chartered Accountants,
Saint John, N. B.

ENAMEL & HEATING PRODUCTS, LIMITED

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED DECEMBER 31, 1959

Profit from operations before deducting the following:		\$ 578,871.86
Depreciation	\$ 77,313.15	
Executive salaries	54,416.66	
Directors' fees and expenses	1,777.25	
Legal charges	346.00	
Debenture interest	52,039.66	185,892.72
		\$ 392,979.14
Non-operating income		9,697.13
		402,676.27
Provision for taxes on income		196,868.61
Net income for the year		\$ 205,807.66

STATEMENT OF RETAINED EARNINGS

Balance at credit — January 1, 1959		\$ 991,490.04
Add: Net income for the year — per statement of profit and loss	\$ 205,807.66	
Profit on debentures redeemed	8,588.75	214,396.41
		\$1,205,886.45
Deduct:		
Loss on disposal of fixed assets	546.27	
Dividends on Capital Stock:		
4% preferred shares	\$11,800.00	
Class "A" common shares	53,100.00	64,900.00
		65,446.27
Balance at credit — December 31, 1959.....		\$1,140,440.18

Auditors' Report

TO THE SHAREHOLDERS
ENAMEL & HEATING PRODUCTS, LIMITED,
SACKVILLE, N. B.

We have examined the balance sheet of ENAMEL & HEATING PRODUCTS, LIMITED as at December 31, 1959 and the related statements of profit and loss and retained earnings for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Company, the accompanying balance sheet and related statements of profit and loss and retained earnings are properly drawn up so as to exhibit a true and correct view of the state of affairs of the company as at December 31, 1959 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

ROSS, TOUCHE & CO.,
Chartered Accountants.

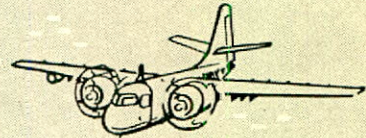
Saint John, N. B.
February 29, 1960.

SYMBOLS OF PROGRESS SINCE 1852

Fawcett

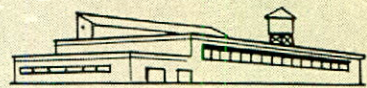


IN THE AIR

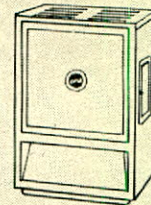


AND IN CONSTRUCTION

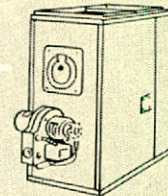
REINFORCING STEEL



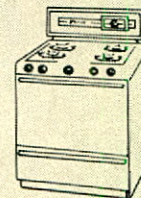
IN ROOM HEATING



IN HOME HEATING



AND IN THE KITCHEN



Enamel & Heating Products Limited have served Canadian homes and industry for more than a century . . . meeting the twin demands of higher quality and lower cost.

ENAMEL and HEATING PRODUCTS LIMITED

Sackville, N. B. ● Amherst ● Halifax ● Montreal ● Calgary ● Vancouver

ENAMEL & HEATING PRODUCTS LIMITED

