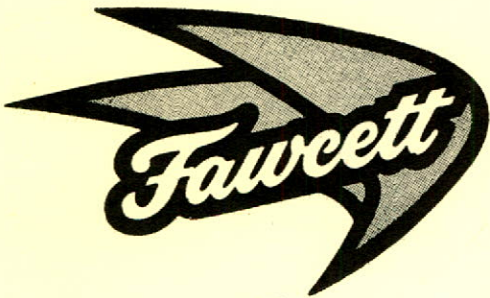


Enamel & heating products, Ltd.

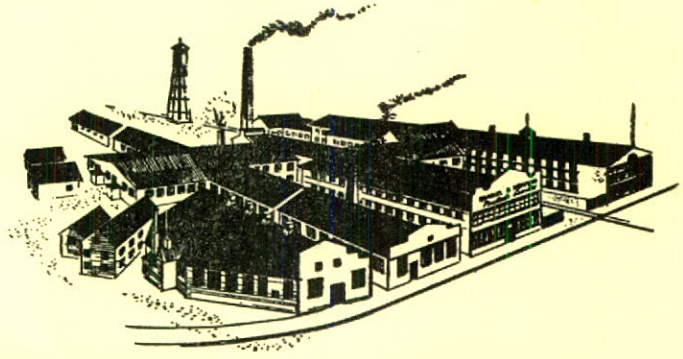
1957

ANNUAL
REPORT

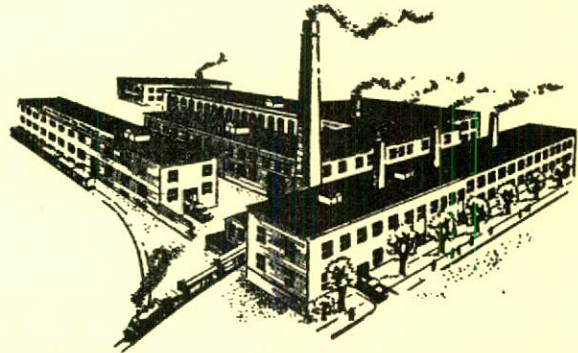


PURVIS HALL
LIBRARIES

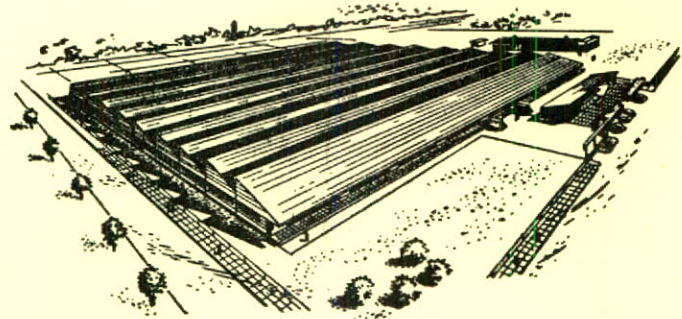
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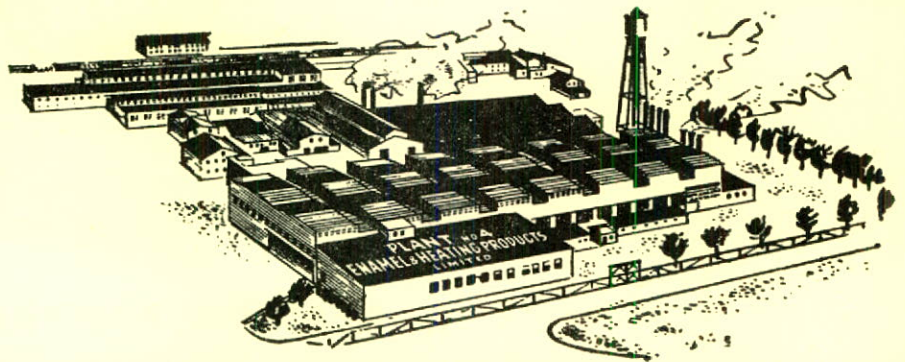
GENERAL OFFICES AND PLANT No. 1, SACKVILLE, N. B.



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 1957



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. G. Hesler	W. J. Wienand, Jr.
E. A. Kajander	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 in charge of Plant 2
W. J. Wienand, Jr.	Vice-President in charge of Aircraft Division
E. A. Kajander	Vice-President in charge of Sales
H. G. Burnett	Advertising Manager
R. B. Fullerton	Assistant Treasurer

AUDITORS

P. S. Ross and Sons

ADVERTISING AGENCY

Imperial Advertising Limited,
Halifax, N. S.

TRANSFER AGENTS

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

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

Sackville, N. B.
February 28th, 1958

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, 1957, 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 \$181,801.59 which has been credited to surplus.

Due to general conditions we have experienced a drop of 8% in our sales as compared with the previous year. The intensive competition in our Stove and Heater Division, as a result of heavy American imports, was a large factor in the reduction of our sales.

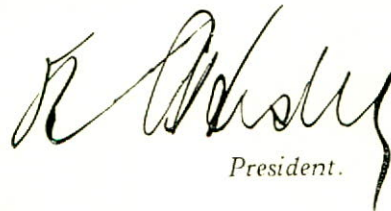
During the year we have continued our efforts to modify our Plants and equipment in order to provide the most economical operations and as business conditions improve we will be able to take advantage of any improvement.

Having regard to the tremendous market for Gas Appliances we have introduced several new lines which we hope will enable us to obtain our share of the market and increase the volume of our sales in the Stove and Heater division of our organization.

While the Rolling Mill and Aircraft Division have shown a satisfactory profit we must point out that the competition from the European steel mills is giving us some concern and may affect the volume of Reinforcing Steel during the present year.

We are happy to state that our Labor Agreements for the year of 1958 have been completed and wish to record our appreciation for the co-operation and understanding on the part of the Unions and for the excellent 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

CURRENT:	1957	1956
Cash	\$ 83,032.85	\$ 184,324.96
Accounts Receivable — Less Reserve	938,029.99	1,127,102.46
Inventories — Raw Materials, Supplies, Work in Process and Finished Goods, physically taken and priced at the lower of cost or market value	2,021,306.93	2,036,369.91
	<u>\$ 3,042,369.77</u>	<u>\$ 3,347,797.33</u>
INVESTMENT SECURITIES AT COST	\$ 1,500.00	\$ 1,500.00
	<u>\$ 3,855,712.63</u>	<u>\$ 3,824,553.13</u>
 FIXED:		
Land	\$ 69,200.00	\$ 69,200.00
Buildings	2,256,403.16	2,256,406.29
Machinery and Equipment	1,479,949.93	1,450,091.63
Motor Vehicles	50,159.54	48,855.21
	<u>\$ 3,855,712.63</u>	<u>\$ 3,824,553.13</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	\$ 6,191.10	\$ 13,216.53
Other	48,760.67	31,159.70
	<u>\$ 54,951.77</u>	<u>\$ 44,376.23</u>
	<u><u>\$ 6,954,534.17</u></u>	<u><u>\$ 7,218,226.69</u></u>

Signed on behalf of the Board:

N. A. HESLER, Director,

N. T. AVARD, Director.

PRODUCTS, LIMITED

December 31, 1957

(as at December 31, 1956)

LIABILITIES

CURRENT:	1957	1956
Bank Loan — Secured under Section 88 of the Bank Act	\$ 80,000.00	\$ 295,000.00
Bills and Accounts Payable	525,683.96	669,999.59
Accrued Liabilities	58,464.52	72,834.30
Accrued Debenture Interest	13,668.13	14,255.94
Provision for taxes on income	99,622.78	113,750.56
Dividends on capital stock payable January 31, 1958	17,700.00	17,700.00
	<u>\$ 795,139.39</u>	<u>\$ 1,183,540.39</u>
FUNDED DEBT:		
4¾% 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	99,000.00	49,500.00
	<u>\$ 1,151,000.00</u>	<u>\$ 1,200,500.00</u>
ACCUMULATED DEPRECIATION:		
Buildings	\$ 385,346.13	\$ 373,343.68
Machinery and Equipment	737,340.91	701,702.80
Motor Vehicles	28,832.51	28,786.19
	<u>\$ 1,151,519.55</u>	<u>\$ 1,103,832.67</u>
CAPITAL STOCK:		
Preferred Shares — 4% non-cumu- lative 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>
EARNED SURPLUS <i>per statement at- tached</i>	\$ 863,155.82	\$ 734,545.80
Increase in value of fixed assets over de- preciated cost in accordance with appraisal	2,258,950.70	2,261,039.12
	<u>\$ 6,954,534.17</u>	<u>\$ 7,218,226.69</u>

Submitted with our accompanying
Report dated February 22, 1958.

P. S. ROSS & SONS,
Chartered Accountants,
Saint John, N. B.

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, 1957 and the related statements of profit and loss and earned surplus 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 the accompanying balance sheet and the related statements of profit and loss and earned surplus 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, 1957, and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company.

P. S. ROSS & SONS,
Chartered Accountants.

Saint John, N. B.
February 22, 1958.

ENAMEL & HEATING PRODUCTS, LIMITED

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED DECEMBER 31, 1957

PROFIT from operations before deducting the following:		\$ 502,727.48
Depreciation	\$ 69,595.94	
Executive salaries	59,450.00	
Director's fees and expenses	1,386.74	
Legal charges	535.25	
Debenture interest	56,835.32	187,803.25
		314,924.23
Non-operating income — net (after deducting depreciation of \$567,86)		24,332.77
		339,257.00
Provision for Taxes on Income		157,445.41
		\$ 181,801.59
		\$ 181,801.59

STATEMENT OF EARNED SURPLUS

Balance at credit — January 1, 1957.....		\$ 734,545.80
Add: Net Income for the Year — per statement of Profit and Loss	\$ 181,801.59	
Profit on debentures redeemed.....	4,907.50	
Profit on disposal of fixed assets	3,334.51	
Adjustment of prior years' depreciation provisions	5,633.76	195,677.36
		930,223.16
Deduct:		
Adjustment of prior years' income taxes	\$ 8,067.34	
Dividends on Capital Stock:		
4% preferred shares ...\$11,800.00		
Class A common shares 47,200.00	59,000.00	67,067.34
		67,067.34
Balance at credit December 31, 1957		\$ 863,155.82

SYMBOLS OF PROGRESS

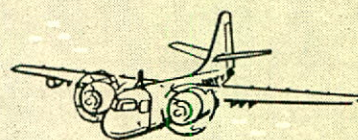
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Fawcett

ENHEAT
AIRCRAFT

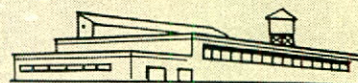
ENAMEL & HEATING PRODUCTS LIMITED
AMHERST, N.S.

IN THE AIR

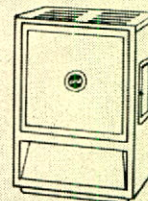


AND IN CONSTRUCTION

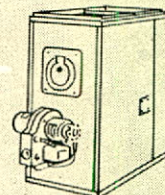
REINFORCING STEEL



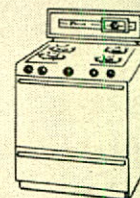
IN ROOM HEATING



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

