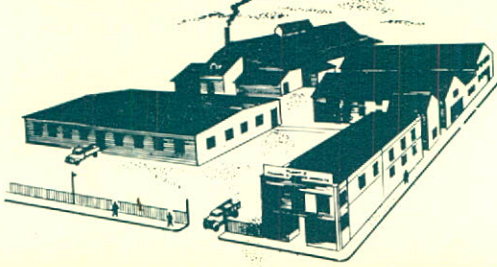


stock

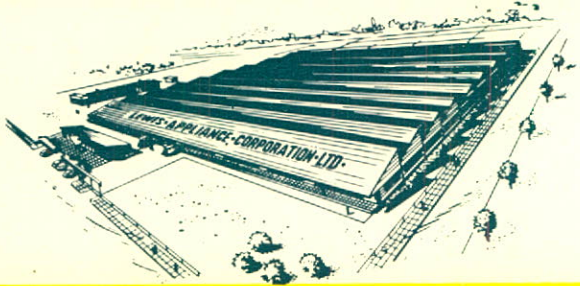
*annual report 1952*



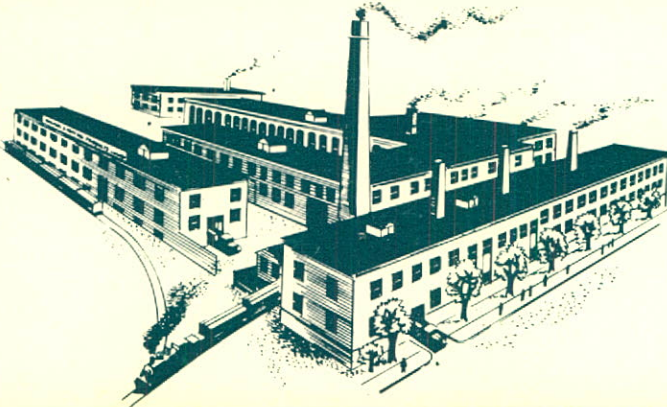
**ENAMEL & HEATING PRODUCTS LIMITED**



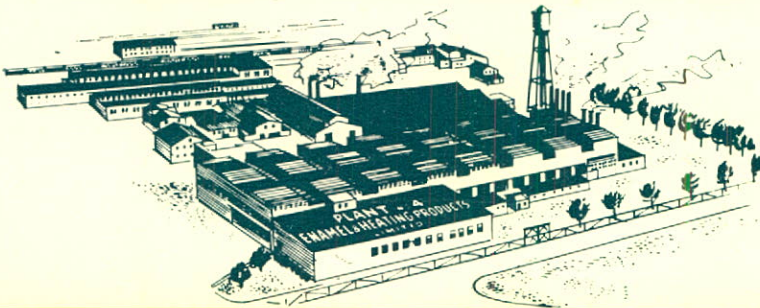
Plant No. 3, Victoria, B. C.



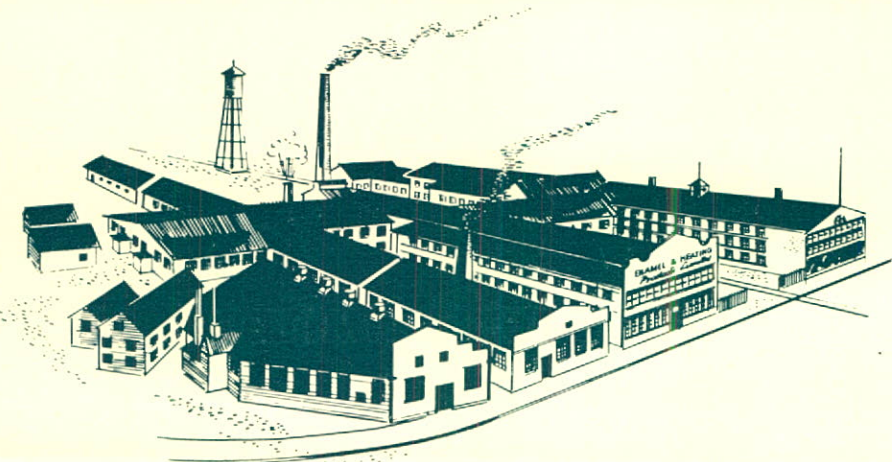
Affiliated Company, Johannesburg, South Africa



Plant No. 2, Amherst, N. S.



Plant No. 4, Amherst, N. S.



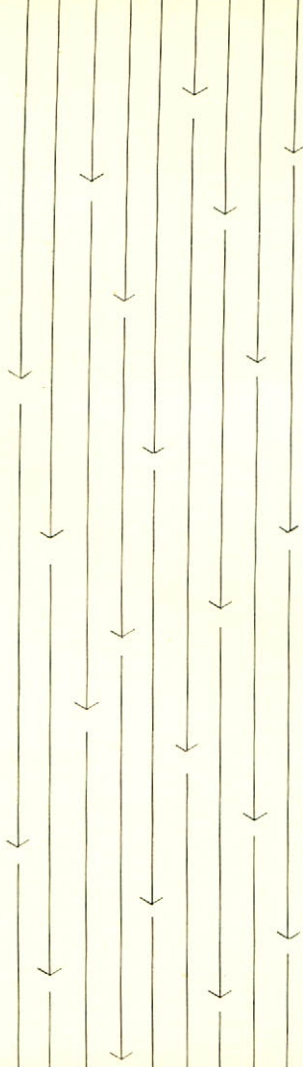
General Offices and Plant No. 1, Sackville, N. B.

Plants of  
ENAMEL & HEATING  
PRODUCTS LTD.,  
Which produce Fawcett  
Cooking and Heating  
Appliances.

Enheat concrete Reinforcing  
Steel and Railway Car  
Wheels  
Aircraft Sub Assemblies.



*Fawcett*



**annual report** for the year ended December 31st 1952



**ENAMEL & HEATING PRODUCTS LIMITED**

## ENAMEL & HEATING PRODUCTS LIMITED

SACKVILLE, N. B.

### DIRECTORS

N. A. Hesler	A. R. French
N. T. Avard	H. Goldstein
C. W. Fawcett	F. R. Rand
C. N. Wilson	
H. G. Hesler	

### OFFICERS

N. A. Hesler	President and General Manager
N. T. Avard	Vice-President
A. R. French	Vice-President, Asst. General Manager
	Secretary and Treasurer
H. Goldstein	Vice-President in charge of Production
F. R. Rand	Vice-President in charge of Sales
W. J. Wienand, Jr.	Vice-President in charge of Aircraft Division
R. J. Hesler	Executive Assistant to the President
R. B. Fullerton	Assistant Treasurer

### AUDITORS

P. S. Ross and Sons

### ADVERTISING AGENCY

James Lovick & Company Limited  
Montreal, P. Q.

### TRANSFER AGENTS

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

### REGISTRARS

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

# *President's Report*

March 31, 1953.

## TO THE SHAREHOLDERS OF ENAMEL & HEATING PRODUCTS LIMITED

Your Board of Directors has pleasure in submitting herewith Annual Report for the year ended December 31, 1952, together with a copy of the Auditors Report.

Net profits of the Company after provision for depreciation and all other charges, but before income taxes, amounted to \$223,975.00 as compared with a profit of \$319,449.83 for the year ended December 31, 1951. The reduction in profits is partly due to the increased wages and cost of materials without a corresponding increase in the prices of our finished goods, and more particularly due to a loss in operations at our Plant No. 2, Amherst, N. S.

Your Directors have approved an agreement entered into with the Florence Stove Company of Gardner, Massachusetts, for the manufacture in Canada of their complete line of electric ranges, gas ranges, and gas heaters, in line with the agreement we have had with the Quaker Manufacturing Company of Chicago and which operated so satisfactorily for the past few years.

This necessitated additional buildings to provide the necessary space and in view of the loss experienced in the production of cast iron sanitary enamelware and little hope of any improvement, due to the highly competitive nature and the introduction of substitutes, such as vitreous china ware and pressed steel ware, your Directors decided to abandon the manufacture of cast iron sanitary enamelware and use these buildings to provide the increased facilities required for the new lines of cooking and heating appliances. It is expected that this will result in greater efficiency and lower costs due to the fact that our facilities at Sackville were overcrowded.

An explanation is necessary with respect to deferred charges amounting to \$77,782.71 for the Aircraft Division. This amount is made up of equipment purchased amounting to \$62,983.12 which has

been received and is being installed and when this work is completed this amount will be charged to Capital account subject to accelerated depreciation. The balance of the deferred charges amounting to \$14,799.59 covers preparatory aircraft expenses and will be charged to the operations over the period of the contract. At this date the installation of machinery and production of tools has been fairly well completed and we expect to start the production of aircraft components very shortly.

Notwithstanding the discontinuance of the production of cast iron sanitary enamelware we expect with the new lines that our sales for 1953 will show an increase over the past year apart from operations under defence contract.

During the year our Subsidiary Company, Amherst Stove & Furnace Company Limited was disposed of at a very satisfactory price and their accumulated surplus of \$45,169.68 was paid to Parent Company and our investment of \$5,000.00 in Capital Stock has been returned to us and application made for surrender of charter.

We again record our appreciation for the real contribution made by the employees throughout the entire organization.

Respectfully submitted on behalf of the Board of Directors.

N. A. HESLER,  
President.

# *Auditor's 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, 1952 and the related statements of profit and loss and 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.

Pursuant to Section 114(2) of the Canadian Companies' Act, we report that one of the subsidiary companies, Amherst Stove and Furnace Company Limited, was wound up during the year and the accumulated surplus to the date of winding-up, together with the investment in capital stock, was paid to the Parent Company, and application made for the surrender of the charter. The other subsidiary company, not consolidated herein, did not operate during the year under review.

In our opinion the accompanying balance sheet and related statements of profit and loss and surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company as at December 31, 1952 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.

# ENAMEL & HEATING

Balance Sheet as at

## ASSETS

### Current Assets:

	1952	1951
Cash .....	\$ 51,533.05	\$ 35,615.66
Accounts Receivable, less Reserve \$1,168.40.....	769,867.60	587,614.46
Due from Employees — Subscriptions to Canada Savings Bonds.....	17,110.89	12,536.83
Inventories — Raw Materials, Supplies, Work in Process and Finished Goods physically taken and valued at the lower of cost or market prices .....	1,409,979.98	1,640,593.18
	<u>\$2,248,491.52</u>	<u>\$2,276,360.13</u>

Investment Securities, At Cost..... \$ 16,392.03

### Investments in Real Estate:

As appraised by Canadian Appraisal Company Limited on the basis of Depreciated Replacement Value — Valued at April 1, 1927 plus subsequent additions at cost.....	\$ 5,760.10	\$ 5,760.10
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### Investments in and Advances to Subsidiary Companies, not consolidated:

Investments .....	\$ 70.00	\$ 5,070.00
Current Account.....		5,009.23
	<u>\$ 70.00</u>	<u>\$ 10,079.23</u>

### Fixed Capital Assets:

Land .....	\$ 45,525.37	\$ 45,525.37
Buildings .....	711,107.61	711,107.61
Machinery and Equipment.....	814,206.32	819,180.54
Motor Vehicles.....	27,436.63	24,654.46
	<u>\$1,598,275.93</u>	<u>\$1,600,467.98</u>

As appraised by Canadian Appraisal Company Limited on the basis of Depreciated Replacement Value — valued at April 1, 1928, February 11, 1928 and December 14, 1929, plus subsequent additions at cost.

### Deferred Debits:

Prepaid Insurance .....	\$ 19,480.28	\$ 13,337.73
Deferred Expenditures applicable to Aircraft Production .....	77,782.71	
Other .....	10,735.35	9,056.69
	<u>\$ 107,998.34</u>	<u>\$ 22,394.42</u>
	<u>\$3,976,987.92</u>	<u>\$3,916,061.86</u>

Signed on behalf of the Board:  
 N. A. HESLER, Director.  
 N. T. AVARD, Director.



# PRODUCTS LIMITED

December 31, 1952

## LIABILITIES

### Current Liabilities:

	1952	1951
Bank Loan — Secured under Section 88 of the Bank Act.....	\$ 120,000.00	\$ 410,000.00
Bank Loan — Special for Employees, subscriptions to Canada Savings Bonds.....	17,110.89	12,536.83
Bills and Accounts Payable.....	454,372.09	273,828.96
Accrued Liabilities.....	68,098.83	56,460.08
Accrued Bond Interest.....	13,350.00	13,370.00
Provision for Income Taxes, less payments on account .....	77,309.12	113,957.41
Dividend on Capital Stock, payable January 31, 1953 .....	11,800.00	11,800.00
	<u>\$ 762,040.93</u>	<u>\$ 891,953.28</u>

### Funded Debt:

4% First Mortgage Sinking Fund Bonds due June 1, 1962 — Authorized and Issued.....	\$ 300,000.00	\$ 300,000.00
Less: Redeemed and Cancelled.....	45,000.00	39,000.00
	<u>*\$ 255,000.00</u>	<u>*\$ 261,000.00</u>
5% Convertible Debentures, due August 1, 1966 .....	\$ 600,000.00	\$ 600,000.00
	<u>\$ 855,000.00</u>	<u>\$ 861,000.00</u>

\* Note: Sinking Fund instalment of \$10,440.00 due January 2, 1953, was paid in part 1952 and \$6,000.00 principal amount of bonds redeemed.

### Reserves for Depreciation:

Investments — Real Estate Buildings.....	\$ 3,086.72	\$ 3,063.36
Buildings .....	320,687.28	297,445.58
Machinery and Equipment.....	514,158.73	475,890.04
Motor Vehicles .....	16,265.57	12,576.23
	<u>\$ 854,198.30</u>	<u>\$ 788,975.21</u>
Credit arising from appraisal of Fixed Assets....	274,357.37	274,357.37
	<u>\$1,128,555.67</u>	<u>\$1,063,332.58</u>

### Capital Stock:

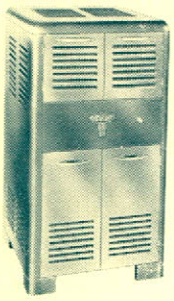
Authorized—250,000 shares of no par value....		
Issued —118,000 shares.....	\$ 439,768.71	\$ 439,768.71
Earned Surplus.....	\$ 791,622.61	\$ 659,007.29
	<u>\$3,976,987.92</u>	<u>\$3,915,061.86</u>

Submitted with our accompanying  
Report dated March 20, 1953,  
P. S. ROSS & SONS,  
Chartered Accountants,  
Saint John, N. B.

**ENAMEL & HEATING PRODUCTS LIMITED**  
**STATEMENT OF PROFIT AND LOSS AND SURPLUS**

For the Year Ended December 31, 1952

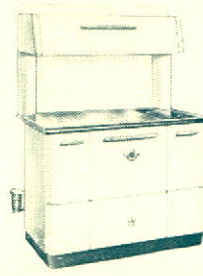
PROFIT from operations before deducting the following:		\$337,169.74
Depreciation .....	\$ 62,473.49	
Executive Salaries .....	46,000.00	
Directors' fees and expenses.....	1,630.44	
Legal charges.....	687.80	
Bond and debenture interest.....	40,403.89	151,195.62
		\$185,974.12
Non-operating income—Net (after deducting depreciation \$5,441.92) .....		38,000.88
		\$223,975.00
Provision for Income Taxes .....		114,741.62
		109,233.38
<b>Earned Surplus:</b>		
Balance at credit—January 1, 1952.....	\$ 659,007.29	
Add: Profit on bonds redeemed.....	\$ 420.00	
Profit on disposal of Fixed Assets....	25,694.31	
Distribution received from Subsidiary Company of accumulated Surplus to date of winding-up.....	45,169.68	71,283.99
		\$730,291.28
Deduct: Prior years' income tax adjustments .....	\$ 702.05	
Dividends on Capital Stock (including dividend of \$11,800.00 declared October 31, 1952 payable January 31, 1953).....	47,200.00	47,902.05
		682,389.23
BALANCE at credit — December 31, 1952.....		\$791,622.61



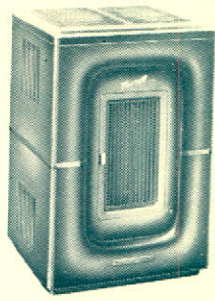
Clipper Slow Combustion  
Coal Heater



Beaverbrook  
Coal and Wood  
Range



Torrid Oil Range



Torrid Oil  
Space Heater

*Products marketed in Canada  
under the brand name*

**Fawcett**

RANGES—

Oil  
Coal  
Wood  
Electric

HEATERS—

Oil  
Coal  
Wood  
Gas

COOK AND  
BOAT STOVES—  
HEATING STOVES

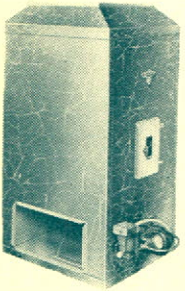
Oil  
Coal  
Wood  
Gas

WARM AIR  
FURNACES—

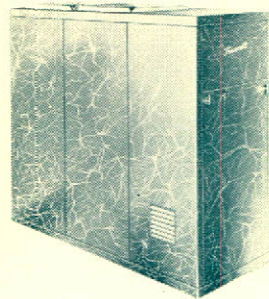
Oil  
Coal  
Wood  
Gas

Air conditioning Equipment and Installations  
Oil Fired Hot Water Tanks

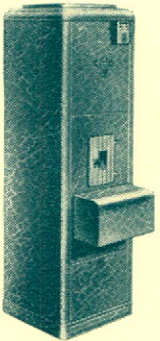
**Fawcett**



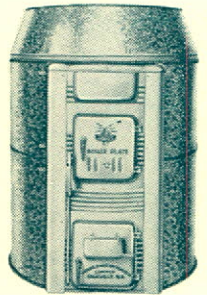
N-60 Pot Type Furnace



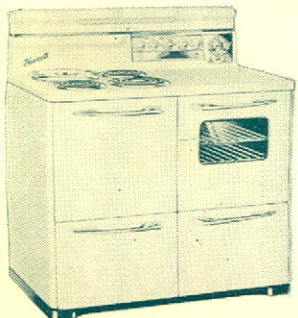
Gun Type Oil Furnace



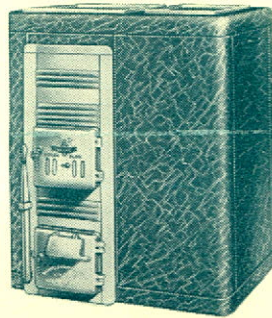
Hi-Boy Torrid Oil  
Furnace



Boiler Plate Steel  
Furnace (round)



Electric Range



Boiler Plate Steel  
Furnace (square)

Production of  
Aircraft  
Components

