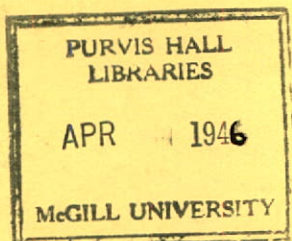


ENAMEL & HEATING PRODUCTS LIMITED

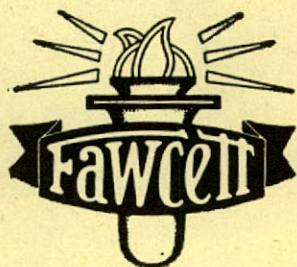
Annual Report
December 31, 1945



ENAMEL & HEATING PRODUCTS LIMITED

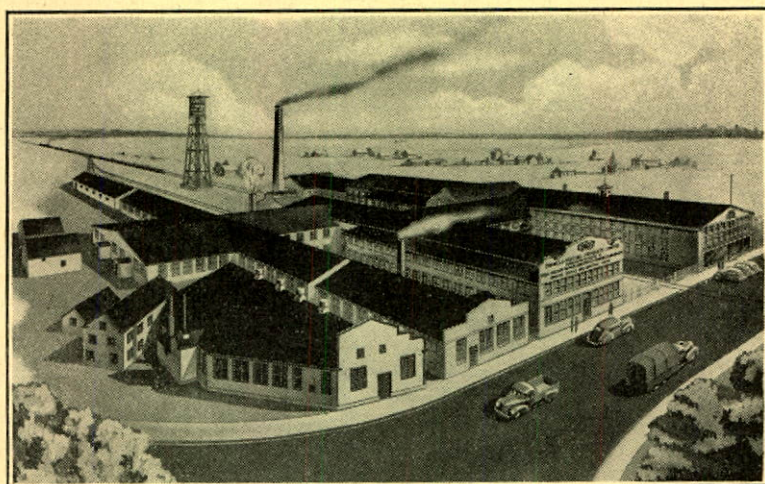
Annual Report

December 31, 1945



ENAMEL & HEATING PRODUCTS LIMITED

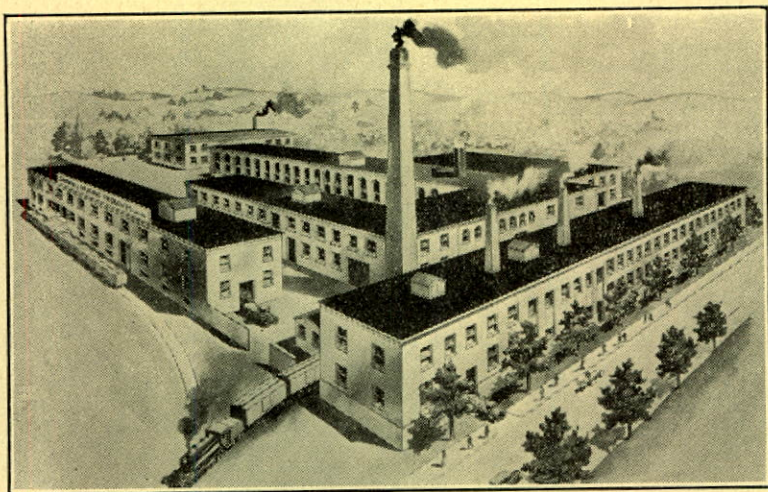
Head Office and Plant No. 1



SACKVILLE, N. B.

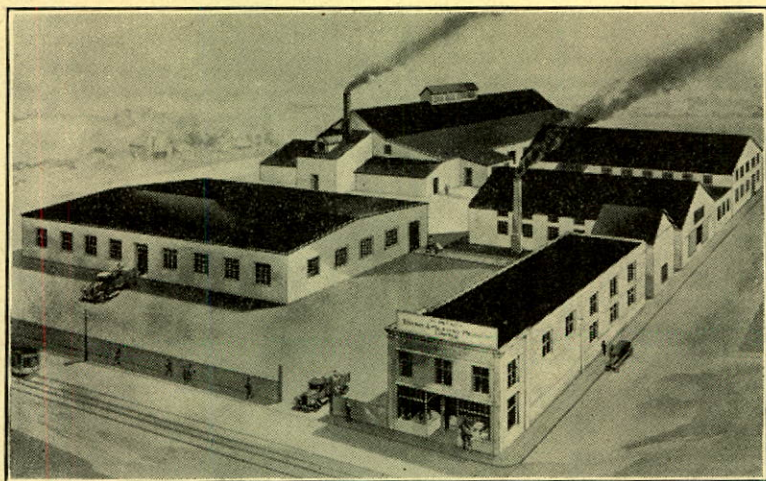
ENAMEL & HEATING PRODUCTS LIMITED

Plant No. 2



AMHERST, N. S.

Plant No. 3



VICTORIA, B. C.

ENAMEL & HEATING PRODUCTS LIMITED

BOARD OF DIRECTORS

N. A. HESLER
N. T. AVARD
C. C. AVARD
C. W. FAWCETT
H. GOLDSTEIN
JAMES MacMURRAY
F. R. RAND

OFFICERS

President and Managing Director

N. A. HESLER

Vice-President

N. T. AVARD

Secretary and Treasurer

A. R. FRENCH

General Sales Manager

F. R. RAND

Works Manager

H. GOLDSTEIN

TRANSFER AGENT

MONTREAL TRUST COMPANY, MONTREAL

REGISTRAR

CANADIAN TRUST COMPANY, MONTREAL

ENAMEL & HEATING PRODUCTS LIMITED

Sackville, N. B.,
March 26, 1946.

TO THE SHAREHOLDERS:

The Directors submit herewith your Company's Balance Sheet and Income Account for the fiscal year ended December 31, 1945, together with a copy of the Auditors' Report.

The net profit for the year 1945 amounted to \$8,555.87, after fully providing for Depreciation and Income Tax, reflecting a substantial reduction in War Contracts and delay in getting underway in the production of new lines as a result of shortages of component parts to which we referred in our report to the shareholders last year.

While the Balance Sheet will indicate a larger inventory of raw materials than we had at the end of 1944, we have experienced a delay in getting certain component parts which are necessary to complete our products so that full advantage could not be taken of the extensions to our Plant and equipment for which we expended the sum of \$104,567.00.

We sincerely hope that conditions will shortly be such as to permit a sufficient supply of component parts to take full advantage of this new equipment and added floor space so that additional volume will offset to some degree at least the increased costs since 1941. Our selling prices have not increased since 1941, whereas wage rates and cost of materials have greatly increased since 1941, and notwithstanding the possibility of a large production as soon as the supply of material becomes easier we must have increases in our selling prices, if we are to operate without loss.

It may be of interest to our shareholders to note that the extra burden that we have had to assume since the beginning of the war on account of Holidays with Pay, Unemployment Insurance, and the additional clerical staff to take care of the various Government instituted measures, such as supervision of Unemployment Insurance, Income Tax Deductions, Victory Loan Deductions, etc., has amounted to 50c. per share.

The demand for your products in both the domestic and export markets is sufficient to assure maximum production but it is dependent entirely on our ability to secure the necessary raw materials and component parts.

Your Directors take this opportunity of recording their appreciation of the loyal and efficient co-operation of the Officials and Staff of the Company.

Respectfully submitted by the Board of Directors.

N. A. HESLER,

President.

ENAMEL & HEATING

BALANCE SHEET

ASSETS

CURRENT ASSETS:

Cash	\$ 4,776.84	
Accounts Receivable, less Reserve \$3,309.79.....	156,377.27	
Employees Ninth Victory Loan Bonds \$55,150.00 less payments against subscriptions.....	52,118.00	
Inventories—Raw Material, Supplies, Work in Process and Finished Goods physically taken, valued at the lower of cost or market prices as certified to by Officials of the Company.....	343,547.24	556,819.35

INVESTMENTS IN REAL ESTATE:

As appraised by Canadian Appraisal Company Limited on the basis of Depreciated Replacement Value— Valued at April 1, 1927 and February 11, 1928, plus subsequent additions at cost.....		66,942.00
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INVESTMENT IN AND ADVANCES TO SUBSIDIARY COMPANY, NOT CONSOLIDATED:

Investment	5,000.00	
Current Account	7,110.62	12,110.62
Refundable Portion of Excess Profits Taxes.....	19,805.86	
Amount receivable from Income and Excess Profits Taxes, adjustments	1,337.09	21,142.95

FIXED CAPITAL ASSETS:

Land	45,050.37	
Buildings	429,942.12	
Machinery and Equipment.....	557,621.25	
Motor Vehicles.....	7,836.53	1,040,450.27

As appraised by Canadian Appraisal Company Limited on the basis of Depreciated replacement value—valued at April 1, 1927, February 11, 1928 and December 14, 1929, plus subsequent additions at cost.

DEFERRED DEBITS

Prepaid Insurance, Taxes.....	3,353.07	
Other	4,070.71	7,423.78
		\$1,704,888.97

Approved on behalf of the Board of Directors:

N. A. HESLER, Director.

N. T. AVARD, Director.

PRODUCTS LIMITED

DECEMBER 31, 1945

LIABILITIES

CURRENT LIABILITIES:

Advances from Bankers—Secured		\$266,550.00	
Including \$51,550.00 Dominion of Canada Bond Purchases.			
Bills and Accounts Payable.....	132,138.90		
Accrued Liabilities	18,993.57	151,132.47	417,682.47
		<hr/>	

RESERVES FOR DEPRECIATION:

Investments—Real Estate Buildings.....	14,465.46		
Buildings	206,525.27		
Machinery and Equipment	304,312.71		
Motor Vehicles.....	4,987.38	530,290.82	
		<hr/>	
Credit arising from appraisal of Fixed Assets		284,638.68	814,929.50
		<hr/>	

CAPITAL STOCK:

Authorized—50,000 shares no par value.			
Issued—29,500 shares.....			439,768.71

SURPLUS ACCOUNTS:

Earned Surplus.....		8,555.87	
Capital Surplus.....		4,146.56	
Reserved Surplus			
Refundable Portion of Excess Profits			
Taxes		19,805.86	32,508.29
		<hr/>	

NOTES:

1. The Company reduced the value of its Capital Stock during the year 1945 by writing off the accumulated deficits to December 31, 1944 as authorized by Supplementary Letters Patent obtained May 17, 1945.
2. A Contingent Liability exists in respect to outstanding Letter of Credit in the amount of \$34,100.00 U. S.

\$1,704,888.97

Submitted with our Report to the Shareholders dated March 20, 1946.

P. S. ROSS & SONS,
Chartered Accountants.
Montreal, Quebec.

ENAMEL & HEATING PRODUCTS LIMITED

SURPLUS ACCOUNTS, DECEMBER 31, 1945

EARNED SURPLUS

Balance at Debit December 31, 1944.....		\$297,981.29
Less: Amount charged to Capital Stock under authority of Supplementary Letters Patent dated May 17, 1945.....		<u>297,981.29</u>
		Nil
Balance		
Profit for year 1945 before provision for Income and Excess Profits Taxes.....	11,935.77	<u>11,935.77</u>
but after deducting:		
Depreciation	35,077.76	
Executive Salaries.....	22,000.00	
Directors Fees & Expenses.....	300.70	
Legal Charges.....	176.00	
	<u>57,554.46</u>	
Income from Investments.....	901.87	
Non Operating Income.....	1,415.47	
	<u>2,317.34</u>	
Balance	14,253.11	
Provision for Income and Excess Profits Taxes	5,697.24	
	<u>5,697.24</u>	
Net Income for year 1945.....		<u><u>8,555.87</u></u>

CAPITAL SURPLUS

Reserve for Subsidiary Company prior years returned to surplus 1945.....		5,556.33
Profit on Sale of Investments.....		<u>59.00</u>
		5,615.33
Less: Loss on Fixed Assets displaced.....	116.24	
Adjustments of Income & Excess Profits Taxes prior years.....	1,352.53	
	<u>1,468.77</u>	
Balance of credit December 31, 1945.....		<u><u>4,146.56</u></u>

RESERVED SURPLUS—REFUNDABLE PORTION OF EXCESS PROFITS TAXES

Balance at Credit December 31, 1944.....	19,709.70
Add: Adjustment of Refundable Portion prior years.....	<u>96.16</u>
Balance at Credit December 31, 1945.....	<u><u>19,805.86</u></u>

Submitted with our Report to the Shareholders dated March 20, 1946.

P. S. ROSS & SONS,
Chartered Accountants.
Montreal, Quebec

ENAMEL & HEATING PRODUCTS LIMITED

AUDITORS' REPORT

Montreal, Quebec,

March 20, 1946.

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

We have made an examination of the attached Balance Sheet of Enamel & Heating Products Limited as at December 31, 1945 and of the related statements of Surplus and Profit and Loss for the year ended that date. In connection therewith we have examined or tested accounting records of the Company and other supporting evidence but we did not examine the details of all transactions. We have received all the information and explanations we have required.

The Balance Sheet, Surplus and Profit and Loss Statements of Enamel & Heating Products Limited, herewith submitted, do not include the Assets, Liabilities or the Operating results of the Subsidiary Company, otherwise than as investment and current account. The operations of the Subsidiary Company for the year ended December 31, 1945 resulted in a Net Profit.

In our opinion the attached Balance Sheet and related statements of Surplus and Profit and Loss are properly drawn up so as to exhibit a true and correct view of the financial position of the Company at December 31, 1945 and of the results of its operations for the year ended that date, according to the information and explanations given to us and as shown by the books of the Company.

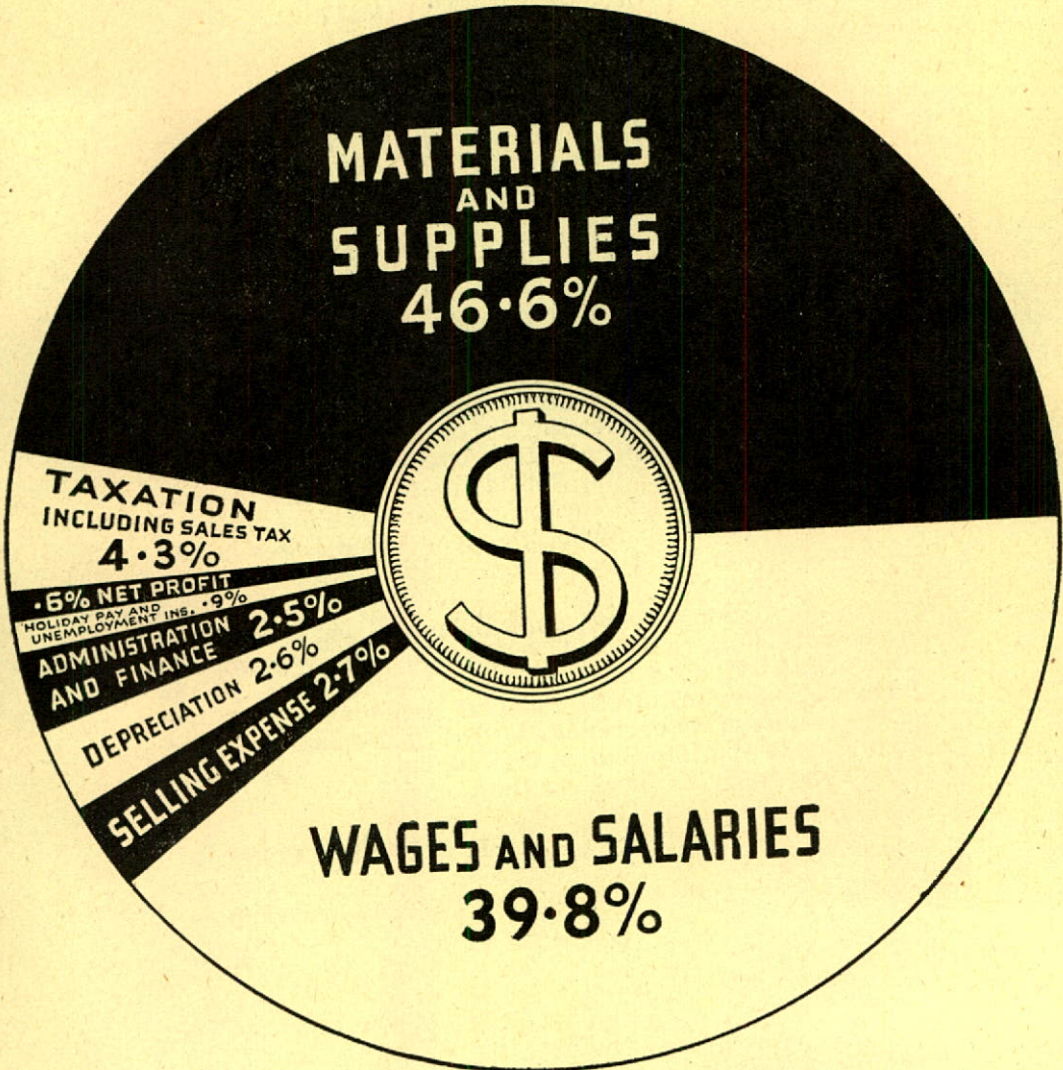
P. S. ROSS & SONS,

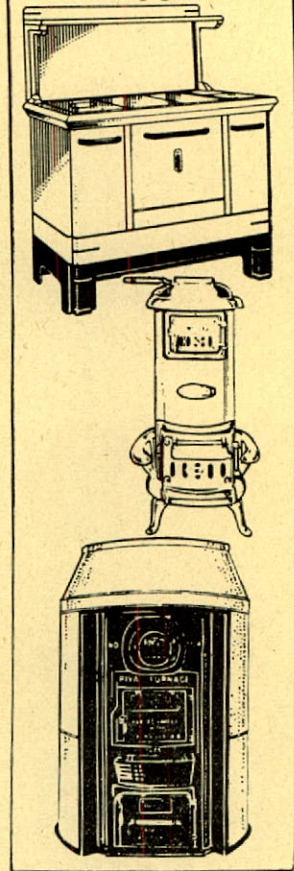
Chartered Accountants.

Auditors.

ENAMEL & HEATING PRODUCTS LIMITED

DISTRIBUTION OF THE SALES DOLLAR 1945





PRINCIPAL PRODUCTS
OF YOUR COMPANY

RANGES

for
OIL HARD OR SOFT COAL WOOD
and
COMBINATION RANGES FOR GAS AND COAL

COOK AND BOAT STOVES

HEATING STOVES

for
OIL COAL WOOD

WARM AIR FURNACES

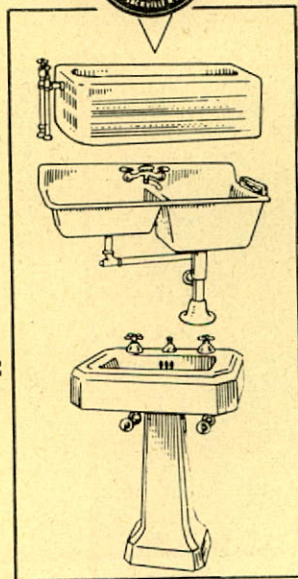
for
OIL COAL WOOD

**AID CONDITIONING EQUIPMENT AND
INSTALLATIONS**

CAST IRON SANITARY ENAMELLED WARE

APRON BATHS	LAUNDRY TUBS
REGULAR BATHS	URINALS
LAVATORIES	RANGE CLOSETS
KITCHEN SINKS	HOPPERS
SLOP SINKS	ETC.

**PATENTEES AND SOLE MANUFACTURERS OF THE
NEW BATH TUB WITH HANDLES**



ENAMEL & HEATING PRODUCTS LIMITED

General Offices

SACKVILLE, N. B.



Branches

MONTREAL, QUE.
WINNIPEG, MAN.
VANCOUVER, B. C.



Plants

SACKVILLE, N. B.
AMHERST, N. S.
VICTORIA, B. C.

