

Amalgamated Electric Corporation Limited

Montreal, Canada



Annual Report

1935

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AMALGAMATED ELECTRIC CORPORATION
LIMITED

Also Owning and Operating

BENJAMIN ELECTRIC MANUFACTURING COMPANY
of CANADA LIMITED

BULL DOG ELECTRIC PRODUCTS of CANADA LIMITED

LANGLEY ELECTRIC MANUFACTURING COMPANY
LIMITED

LANGLEY ELECTRICAL COMPANY LIMITED

LANGLEY MANUFACTURING COMPANY LIMITED

Executive Offices:

ROOM 1600
1050 BEAVER HALL HILL
MONTREAL, QUEBEC

AMALGAMATED ELECTRIC CORPORATION LIMITED

DIRECTORS

| | |
|------------------|--------------------|
| WILLIAM L. BAYER | PAUL F. SISE |
| HOMER M. JAQUAYS | H. CARSON FLOOD |
| M. K. PIKE | RICHARD O. JOHNSON |
| M. P. MURPHY | WM. CARSWELL |

STANLEY LANGLEY

OFFICERS

WILLIAM L. BAYER, *President*
STANLEY LANGLEY, *General Manager*
GEORGE NICOL, *Secretary-Treasurer*
P. A. ELLEMENT, *Assistant Secretary*
ROBERT B. EDWARDS, *Assistant Treasurer*

Solicitors

WAINWRIGHT, ELDER & McDougall

Transfer Agents

MONTREAL TRUST COMPANY
MONTREAL

Registrar

THE ROYAL TRUST COMPANY
MONTREAL



AMALGAMATED ELECTRIC CORPORATION LIMITED

TO THE SHAREHOLDERS:

Your Directors have pleasure in submitting their report on the operations of your Company and its subsidiaries for the year ended December 31st, 1935, together with Consolidated Balance Sheet as of that date and Consolidated Profit and Loss Account and Deficit Account.

You will note your Company shows an operating profit of \$42,775.25 before the application of depreciation and other charges in accordance with the Companies Act, resulting in a net loss for the year of \$16,604.60 which is a considerable improvement in operations over the last few years.

It has been the endeavor of your management to reduce the expenses commensurate with low volume of sales and it is with pleasure that they inform you that during the last four months of 1935 your Company has shown an operating profit. Whereas there has been an increase in sales during these four months the sales were considerably below the sales that were necessary for an operating profit in previous years.

The executives' salaries shown in the Profit and Loss Account represent the salaries of five executives. No Directors' fees were paid.

During the fiscal year an additional 342 shares of your preferred stock was purchased for redemption and cancellation, this resulting in a credit of \$12,025.60 to Capital Surplus Account.

Your Company was incorporated in March, 1929. Since then \$321,003.81 has been charged to depreciation account, thereby writing down your fixed assets to \$546,554.89. Collections have been very satisfactory during the past year and ample reserve has been set up against bad debts. In the opinion of your management there is adequate reserve against any possible loss on your inventory through obsolescence.

Your Company continues to enjoy a strong cash position and so will be able to take advantage of any future expansion in business. Net working capital stands at \$467,845. with the ratio of current assets to current liabilities 27 to 1.

You will note on your Balance Sheet an item "Unamortized Cost of Developing New Products". This covers charges in connection with the development and improvement of new products for your Company, the cost of which is amortized over a reasonable period of time. In the past the item has been included in Deferred Charges to Operations on the Balance Sheet.

In December Mr. M. P. Murphy was elected Vice President of your Company, effective January 1st, 1936, with headquarters in Toronto, from which centre future operations of your Company will be directed, with the accounting and operating departments functioning from there.

Meetings of your Board of Directors have been held monthly. The books of your Company have been audited regularly and the certificate of the Auditors appears herewith. Your plants have been well maintained with the usual depreciation charged thereto.

The present improvement in your Profit and Loss Account and the position of your Company has been largely brought about by the complete co-operation and efficient work of the officials and employees of the Company. Your Directors desire to record their full appreciation of that fact.

BY ORDER OF THE BOARD,

W. L. BAYER,
President.

AMALGAMATED ELECTRIC CORPORATION LIMITED

AND

WHOLLY OWNED SUBSIDIARY COMPANIES

Consolidated Balance Sheet as at 31st December 1935

| ASSETS | | | LIABILITIES | |
|---|------------|----------------|--|----------------|
| CURRENT ASSETS: | | | CURRENT LIABILITIES: | |
| Cash on hand, in Banks and on Guaranteed Call Loan..... | 214,481.16 | | Accounts Payable and Accrued Charges..... | 16,194.07 |
| Accounts Receivable—less Reserve for Doubtful Accounts..... | 47,024.95 | | Provision for Dominion, Provincial and Other Taxes..... | 1,387.45 |
| Inventories of Raw Materials, Goods in Process, Finished Stock, etc.—determined by actual count as at 31st October 1935, adjusted to 31st December 1935 from the Companies' Cost Records, priced at standard factory cost based on normal production and certified to by Officials of the Companies—less Reserve..... | 223,920.21 | 485,426.32 | | 17,581.52 |
| DEFERRED CHARGES TO OPERATIONS AND PREPAID EXPENSES: | | | CAPITAL STOCK, SURPLUS AND DEFICIT ACCOUNTS: | |
| Unexpired Insurance, Prepaid Taxes, etc..... | 4,288.37 | | <i>Six Per Cent Cumulative Redeemable Convertible Preferred Stock:</i> | |
| Unamortised Cost of Developing New Products.... | 18,597.55 | 22,885.92 | Authorized: | |
| | | | 30,000 Shares of \$50.00 Par Value..... | \$1,500,000.00 |
| FIXED ASSETS: | | | Issued and Paid-up: | |
| Real Estate, Buildings, Plant and Equipment, Office Furniture and Fixtures, and Automobiles— <i>at Cost</i> | 867,558.70 | | 23,500 Shares..... | 1,175,000.00 |
| Less—Reserves for Depreciation..... | 321,003.81 | 546,554.89 | 1,694 Shares Purchased for Redemption and Cancellation prior to 31st December 1934..... | 84,700.00 |
| GOODWILL AND PATENTS: | | 1.00 | 21,806 Shares..... | 1,090,300.00 |
| | | | 342 Shares Purchased for Redemption and Cancellation during the year ended 31st December 1935..... | 17,100.00 |
| | | \$1,054,868.13 | 21,464 Shares in Hands of Public..... | 1,073,200.00 |
| | | | (Dividends in arrears since 31st December 1930.) | |
| | | | <i>Common Stock—without Nominal or Par Value:</i> | |
| | | | Authorized—90,000 Shares | |
| | | | Issued and Paid-up—50,000 Shares..... | 324,561.71 |
| | | | <i>Capital Surplus:</i> | |
| | | | As per Consolidated Statement..... | 23,269.40 |
| | | | | 1,421,031.11 |
| | | | Deficit: | |
| | | | As per Consolidated Statement..... | 383,744.50 |
| | | | | 1,037,286.61 |
| | | | | \$1,054,868.13 |

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the books and accounts of Amalgamated Electric Corporation Limited for the year ended 31st December 1935, and we have verified the Balance Sheets at the same date of its Wholly Owned Subsidiary Companies whose figures have been incorporated in the above Consolidated Balance Sheet and in the relative Consolidated Statements of Profit and Loss and Deficit and Capital Surplus. We have obtained all the information and explanations which we have required.

The Preferred Shares purchased for Redemption and Cancellation during the year must, in our opinion, be treated as reduction of Capital.

We report that, in our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

(Signed) McDONALD, CURRIE & CO.,
Chartered Accountants

MONTREAL, 24th January, 1936.

Approved on behalf of the Board:
W. L. BAYER, }
S. LANGLEY } *Directors.*

AMALGAMATED ELECTRIC CORPORATION LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Loss and Deficit
For the Year Ended 31st December 1935*

| | | |
|--|------------|---------------------|
| OPERATING PROFIT FOR YEAR—before charging Executive Salaries and Legal Fees, and before providing for Depreciation and Provincial Income Taxes | | 42,775.25 |
| DEDUCT—Executive Salaries..... | 18,237.60 | |
| Legal Fees | 519.00 | |
| Provision for Depreciation..... | 46,773.41 | |
| Provision for Provincial Income Taxes.... | 255.00 | 65,785.01 |
| LOSS FOR YEAR | | 23,009.76 |
| Deduct—Net Income from Interest and Rentals | 5,846.80 | |
| Sundry Revenue..... | 558.36 | 6,405.16 |
| NET LOSS FOR YEAR..... | | 16,604.60 |
| DEFICIT—as at 31st December 1934..... | 367,375.17 | |
| Less—Adjustment of Provincial Income Tax in respect of the year ended 31st December 1934 | 235.27 | 367,139.90 |
| DEFICIT—as per Consolidated Balance Sheet..... | | <u>\$383,744.50</u> |

NOTE:

No Directors' Fees have been paid or charged during the year.

*Consolidated Statement of Capital Surplus
For the Year Ended 31st December 1935*

| | | |
|--|--|--------------------|
| BALANCE AT CREDIT AS AT 31ST DECEMBER 1934.... | | 11,243.80 |
| Add—Discount on Preferred Shares purchased for Redemption and Cancellation during the year ended 31st December 1935..... | | 12,025.60 |
| BALANCE AT CREDIT AS AT 31ST DECEMBER 1935 as per Consolidated Balance Sheet..... | | <u>\$23,269.40</u> |



The Symbol of Satisfaction

ELECTRICAL SUPPLIES, ETC.

APARTMENT MAIL BOXES.

BOXES—Outlet; Switch.

CONDUIT FITTINGS AND CONNECTORS.

CUTOUTS.

FIXTURES—Porcelain Enamel Reflectors; Vapor-Proof; Commercial Fixtures; Glazed Porcelain; Dust-Proof; Explosion-Proof.

FLOODLIGHTING.

LAMPS—Bed; Desk; Portable.

LIGHTING—Commercial; Cove; Portrait; Show Case; Spot; Theatre; Industrial; Porcelain Equipment.

LIGHTING CONTROL—Theatre.

MOTOR CONTROL—Starters; Switches.

PANELBOARDS—Branch Circuit and Light and Power Distribution.

PLUGS—Attachment.

RADIO OUTLETS.

RECEPTACLES—Flush; Surface; Sign; Fixture.

REFLECTORS—Porcelain Enamel.

ROSETTES.

SERVICE STATION FLOODLIGHTING.

SHEET METAL WORK.

SIGNALS—Industrial.

SOCKETS—Brass Shell; Porcelain; Candle; Weatherproof; Extensions; Reducers.

SPINNINGS.

STAMPINGS.

SWITCHBOARDS.

SWITCH PLATES—Brass; Steel; Bakelite.

SWITCHES—Canopy; Door; Externally Operated; Fixture; Flush; Knife; Pendant; Radio; Appliance; Surface; Time; Safety; Industrial; Service.

WIRING DEVICES.

BULL DOG PRODUCTS—Panelboards; Switchboards; Safety Switches; Industrial Breakers; Wiring Trough.



AMALGAMATED ELECTRIC CORPORATION LIMITED
AND
WHOLLY OWNED SUBSIDIARY COMPANIES

Plants and Warehouses at:

TORONTO

MONTREAL

WINNIPEG

CALGARY

VANCOUVER

