

Amalgamated Electric Corporation, Limited

Montreal, Canada



Annual Report
1938

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AMALGAMATED ELECTRIC CORPORATION,
LIMITED

and

Subsidiary Companies

BENJAMIN ELECTRIC MANUFACTURING COMPANY
of CANADA LIMITED

BULL DOG ELECTRIC PRODUCTS of CANADA LIMITED
CANADIAN CUTLER-HAMMER LIMITED

LANGLEY ELECTRIC MANUFACTURING COMPANY,
LIMITED

LANGLEY ELECTRICAL COMPANY LIMITED

LANGLEY MANUFACTURING COMPANY LIMITED

PLANTS AND WAREHOUSES AT:

TORONTO

MONTREAL

WINNIPEG

CALGARY

VANCOUVER

EXECUTIVE OFFICES:

ROOM 1600

1050 BEAVER HALL HILL

MONTREAL, QUEBEC



AMALGAMATED ELECTRIC CORPORATION, LIMITED

MONTREAL, 8th February, 1939

TO THE SHAREHOLDERS:

Your Directors submit herewith the Tenth Annual Report and Consolidated Statements of Accounts for the year ended 31st December, 1938.

RESULTS OF OPERATIONS:

The Net Profit for the year, after providing for depreciation and income taxes, amounted to \$44,416, which compares with a Net Profit of \$51,733 in 1937 and a Net Loss of \$5,666 in 1936.

PLANT:

During the year expenditures on Plant aggregated \$19,381, while equipment scrapped amounted to \$66,183. These transactions are reflected in the net reductions in Capital Assets and in Depreciation Reserve.

An amount of \$45,748 was provided during the year for Depreciation of Plant and Equipment, being approximately the same amount as in 1937.

The cost of all necessary repairs to the Company's Plants was charged to maintenance expense.

INVENTORIES:

As heretofore the Company's inventories were valued at cost or market, whichever was the lower, proper provision being made for unusable and unsaleable material.

FINANCIAL:

The Net Working Capital of the Company shows an increase of \$65,789 during the year, as indicated by the following comparison:

	31st December, 1938	31st December, 1937
Current Assets . .	\$687,939	\$605,698
Current Liabilities	64,575	48,123
Net Working Capital	\$623,364	\$557,575

Current Assets include an amount of \$250,210 representing Cash on Hand and on Deposit.

The Net Working Capital is equivalent to \$31.28 per share of Preferred Stock outstanding, as compared with \$26.97 as at 31st December, 1937.

PREFERRED STOCK:

An additional 748 shares of Preferred Stock were purchased during the year for cancellation and reduction of Capital, which resulted in an increase of \$16,938 in Capital Surplus Account.

The total number of Preferred Shares purchased to 31st December, 1938 was 3,573.

EMPLOYEES:

Your Directors desire to express their appreciation of the loyal and efficient service rendered by the employees during the year.

PROSPECTS:

A continuation of improved business conditions should result in increased sales of your Company's products.

By Order of the Board,

P. F. SISE,
President.

AMALGAMATED ELECTRIC CORPORATION, LIMITED
AND
SUBSIDIARY COMPANIES

Consolidated Balance Sheet as at 31st December, 1938

ASSETS

CAPITAL ASSETS:

Real Estate, Buildings, Plant and Equipment at cost..... \$696,996

MORTGAGE RECEIVABLE..... 17,000

CURRENT ASSETS:

Inventories of Raw Material, Goods in Process, Finished Stock, etc. (*)..... \$319,915

Accounts Receivable (less Reserve for Doubtful Accounts)..... 115,814

Dominion of Canada Bonds..... 2,000

Cash on Hand and on Deposit..... 250,210 687,939

PREPAID EXPENSES:

Unexpired Insurance, Prepaid Taxes, etc..... 1,576

GOODWILL AND PATENTS..... 1

(*) Based on Physical Inventory as at 31st October, 1938 (valued at cost or market, whichever was lower) adjusted for operations to 31st December, 1938.

\$1,403,512

LIABILITIES

CAPITAL STOCK, SURPLUS AND DEFICIT ACCOUNTS:

Six per cent Cumulative Redeemable Convertible Preferred Stock:

Authorized:
30,000 Shares, \$50.00 Par Value..... \$1,500,000

Issued and Paid-up:
23,500 Shares..... \$1,175,000
3,573 Shares purchased for cancellation and reduction of capital to 31st December, 1938..... 178,650

19,927 Shares in hands of public..... 996,350
(Dividends in arrears since 31st December, 1930)

Common Stock—without nominal or par value:
Authorized—90,000 Shares
Issued and Paid-up—50,000 Shares..... 324,562

Capital Surplus:
As per Consolidated Statement..... 58,633
1,379,545

Deficit:
As per Consolidated Statement..... 352,515 1,027,030

CURRENT LIABILITIES:

Accounts Payable and Accrued Charges..... 51,813
Provision for Taxes..... 12,762 64,575

RESERVES FOR DEPRECIATION..... 311,907

\$1,403,512

MONTREAL, 26th January, 1939.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of Amalgamated Electric Corporation, Limited, and its Subsidiary Companies as at 31st December, 1938, and we have obtained all the information and explanations which we have required.

Based upon such examination we report that, in our opinion, the above Consolidated Balance Sheet and relative Consolidated Statements of Profit and Loss and Deficit and Capital Surplus are 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 to the nearest dollar.

W.M. CARSWELL, C.A.,
Treasurer.

McDONALD CURRIE & Co.,
Chartered Accountants.

Approved on behalf of the Board:

P. F. SISE }
W. L. BAYER } Directors

AMALGAMATED ELECTRIC CORPORATION, LIMITED
AND
SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Loss and Deficit
For the Year Ended 31st December, 1938*

OPERATING PROFIT FOR YEAR—before charging Executive Salaries and Legal Fees and before providing for Depreciation and Income Taxes.....		\$ 117,291
DEDUCT—Executive Salaries.....	21,135	
Legal Fees.....	411	21,546
PROFIT FOR YEAR before providing for Depreciation and Income Taxes.....		95,745
DEDUCT—Provision for Depreciation.....	45,748	
Provision for Income Taxes.....	10,564	56,312
PROFIT FROM OPERATIONS.....		39,433
ADD —Miscellaneous Income.....		4,983
NET PROFIT FOR YEAR.....		44,416
DEDUCT—Deficit as at 31st December, 1937.....		396,931
DEFICIT—as per Consolidated Balance Sheet.....		<u>\$ 352,515</u>

NOTE:

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

*Consolidated Statement of Capital Surplus
For the Year Ended 31st December, 1938*

BALANCE AT CREDIT AS AT 31st DECEMBER, 1937...		\$41,695
ADD —Discount on Preferred Shares purchased for cancellation and reduction of Capital during the year ended 31st December, 1938.....		16,938
BALANCE AT CREDIT AS AT 31st DECEMBER, 1938, as per Consolidated Balance Sheet.....		<u>\$ 58,633</u>

AMALGAMATED ELECTRIC CORPORATION, LIMITED

DIRECTORS

WILLIAM L. BAYER	RICHARD O. JOHNSON
WILLIAM CARSWELL	STANLEY LANGLEY
H. CARSON FLOOD	M. P. MURPHY
HOMER M. JAQUAYS	M. K. PIKE

PAUL F. SISE

OFFICERS

WILLIAM L. BAYER	<i>Chairman of the Board</i>
PAUL F. SISE	<i>President</i>
M. P. MURPHY	<i>Vice-President and Managing Director</i>
WILLIAM CARSWELL	<i>Secretary-Treasurer</i>

STANLEY LANGLEY	<i>General Production Manager</i>
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Solicitors

WAINWRIGHT, ELDER & McDougall—*Montreal*
BLAKE, LASH, ANGLIN & CASSELS—*Toronto*

Transfer Agents

MONTREAL TRUST COMPANY—*Montreal*

Registrar

THE ROYAL TRUST COMPANY—*Montreal*



The Symbol of Satisfaction

ELECTRICAL SUPPLIES, ETC.
APARTMENT MAIL BOXES.

BOXES—Outlet; Switch.

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.

PANELBOARDS—Branch Circuit and Light and Power Distribution.

PLUGS—Attachment.

RADIO OUTLETS.

RECEPTACLES—Flush; Surface; Sign; Fixture.

REFLECTORS—Porcelain Enamel; Aluminum.

ROSETTES.

SERVICE STATION FLOODLIGHTING.

SHEET METAL WORK.

SIGNALS—Industrial.

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

SPINNINGS.

STAMPINGS.

SWITCHBOARDS—Light and Power.

SWITCHPLATES—Brass; Steel; Bakelite.

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

THEATRE SWITCHBOARDS.

WIRING DEVICES.

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

CUTLER-HAMMER PRODUCTS—Motor Control.

