

# Amalgamated Electric Corporation, Limited

Montreal, Canada



Annual Report  
1939

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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, 6th February, 1940.

TO THE SHAREHOLDERS:

Your Directors submit herewith the Eleventh Annual Report and Consolidated Statements of Account for the year ended 31st December, 1939.

RESULTS OF OPERATIONS:

The Net Profit for the year, after providing for depreciation and income taxes, amounted to \$56,515, as compared with a Net Profit of \$44,416 in 1938.

PLANT:

Worn out machinery was replaced during the year, resulting in expenditures amounting to \$65,376 (as compared with \$19,381 during the previous year) while equipment scrapped amounted to \$17,431, thus resulting in a net increase of \$47,945.

Depreciation amounting to \$37,344 was provided during the year on plant and equipment.

As heretofore, the cost of the necessary repairs to the Company's plants was charged to maintenance expense.

INVENTORIES:

The Company's inventories, in accordance with its usual practice, have been valued at cost or market, whichever was lower, the necessary provision being made for unusable and unsaleable material.

FINANCIAL:

The net working capital of the Company at 31st December, 1939, is approximately the same as at the end of the preceding year (after increased plant expenditure as above

referred to and purchases of Preferred stock for redemption), as shown by the following comparison:

	31st December, 1939	31st December, 1938
Current Assets . .	\$719,019	\$687,939
Current Liabilities	94,247	64,575
Net Working Capital	\$624,772	\$623,364

Current Assets include Cash on Hand and on Deposit amounting to \$227,705. The Current Assets are equivalent to approximately eight times the Current Liabilities.

#### CAPITAL STRUCTURE:

In accordance with views expressed at the last Annual Meeting, steps were taken to re-organize the capital structure of the Company in accordance with the plan submitted to the Shareholders, by which the former Preferred Shareholders received four (4) shares of new Common stock for each then existing share of Preferred stock, and the former Common Shareholders received one (1) share of new Common stock for each five (5) then existing shares of Common stock. The approval of the Shareholders at a special meeting having been obtained, and the necessary legal steps (including the securing of Supplementary Letters Patent) having been taken, this re-organization was consummated. The effect of the re-organization is indicated in the accompanying financial reports.

#### EMPLOYEES:

Your Directors desire to place on record their appreciation of the continued loyal and efficient service rendered by the employees during the year.

#### PROSPECTS:

Further development throughout the year has taken place in new products and in the marketing of the Company's products generally. As far as can be determined under existing conditions, it is expected that continued improvement should result in the ensuing year.

By Order of the Board,

P. F. SISE,  
President.

AMALGAMATED ELECTRIC CORPORATION, LIMITED  
AND  
SUBSIDIARY COMPANIES

*Consolidated Balance Sheet as at 31st December, 1939*

ASSETS		LIABILITIES
<b>CAPITAL ASSETS:</b>		
Real Estate, Buildings, Plant and Equipment at cost .....	\$744,941	<b>CAPITAL STOCK:</b>
		Common Stock — without nominal or par value:
		Authorized — 100,000 Shares
		Issued and Paid-up — 84,420 Shares .....
		\$844,200
		(All in accordance with Supplementary Letters Patent dated 22nd August, 1939).
<b>CURRENT ASSETS:</b>		
Inventories of Raw Material, Goods in Process, Finished Stock, etc. (*) .....	\$369,392	<b>CURRENT LIABILITIES:</b>
Accounts Receivable (less Reserve for Doubtful Accounts) .....	119,922	Accounts Payable and Accrued Charges .....
Dominion of Canada Bonds .....	2,000	\$78,986
Cash on Hand and on Deposit .....	227,705	Provision for Taxes .....
	719,019	15,261
		94,247
		RESERVES FOR DEPRECIATION .....
		332,897
		CAPITAL SURPLUS .....
		139,034
		EARNED SURPLUS .....
		56,515
<b>PREPAID EXPENSES:</b>		\$1,466,893
Unexpired Insurance, Prepaid Taxes, etc. ....	2,932	
<b>GOODWILL AND PATENTS .....</b>	<u>1</u>	
	<u>\$1,466,893</u>	

(\*) Based on periodic Physical Inventories, adjusted for operations to 31st December, 1939, and valued at cost or market, whichever was lower.

Approved on behalf of the Board:

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

AUDITOR'S REPORT TO THE SHAREHOLDERS

MONTREAL, 26th January, 1940.

We have examined the books and accounts of Amalgamated Electric Corporation, Limited, and its Subsidiary Companies as at 31st December, 1939, and we have obtained all the information and explanations which we have required.

We report that, in our opinion, the above Consolidated Balance Sheet and relative Consolidated Statements of Profit and Earned Surplus, 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.

WM. CARSWELL, C.A.,  
Treasurer.

McDONALD, CURRIE & Co.,  
Chartered Accountants.

AMALGAMATED ELECTRIC CORPORATION, LIMITED  
AND  
SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Earned Surplus  
For the Year Ended 31st December, 1939*

OPERATING PROFIT FOR YEAR—before charging Executive Salaries and Legal Fees and before providing for Depreciation and Income Taxes . . . . .		\$127,801
DEDUCT—Executive Salaries . . . . .	\$22,490	
Legal Fees . . . . .(*)	1,008	23,498
PROFIT FOR YEAR before providing for Depreciation and Income Taxes . . . . .		104,303
DEDUCT—Provision for Depreciation . . . . .	37,344	
Provision for Income Taxes . . . . .	13,663	51,007
PROFIT FROM OPERATIONS . . . . .		53,296
ADD— Miscellaneous Income . . . . .		3,219
NET PROFIT FOR YEAR (being Earned Surplus as at 31st December, 1939) . . . . .		\$56,515

(\*) Excludes \$2,835 paid for Legal Fees in connection with the Capital Re-organization—charged to Capital Surplus.

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

*Consolidated Statement of Capital Surplus  
For the Year Ended 31st December, 1939*

BALANCE AT CREDIT AS AT 31ST DECEMBER, 1938 . . . . .		\$58,633
ADD —Discount on Preferred Shares purchased for cancellation and reduction of Capital to date of re-organization . . . . .		26,477
Net adjustment on Capital Re-organization including elimination of Deficit as at 31st December, 1938 . . . . .		53,924
BALANCE AT CREDIT AS AT 31ST DECEMBER, 1939 . . . . .		\$139,034

# AMALGAMATED ELECTRIC CORPORATION, LIMITED

## DIRECTORS

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

PAUL F. SISE

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## 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>

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STANLEY LANGLEY	<i>General Production Manager</i>
A. V. ARMSTRONG	<i>General Sales Manager</i>

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## *Solicitors*

WAINWRIGHT, ELDER & McDougall— <i>Montreal</i>
BLAKE, LASH, ANGLIN & Cassels— <i>Toronto</i>

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## *Transfer Agents*

MONTREAL TRUST COMPANY—*Montreal*

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## *Registrar*

THE ROYAL TRUST COMPANY—*Montreal*





## The Symbol of Satisfaction

### **ELECTRICAL SUPPLIES, ETC.**

### **APARTMENT MAIL BOXES.**

**BOXES**—Outlet; Switch.

### **CUTOUPS.**

**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.



