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Amalgamated Electric Corporation, Limited

Montreal, Canada



Annual Report 1944

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Amalgamated Electric Corporation, Limited

Montreal, Canada



Annual Report

1944

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

CANADIAN JEFFERSON ELECTRIC 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, MARCH 16th, 1945.

TO THE SHAREHOLDERS:

Your Directors submit herewith the Sixteenth Annual Report of your Company and Consolidated Statements of Account for the year ended December 31, 1944.

RESULTS OF OPERATIONS:

The following is a comparison of the Net Profits for the years 1944 and 1943 respectively:

	<u>1944</u>	<u>1943</u>
Net Profit before Income and Excess Profits Taxes	\$301,922	\$328,913
Provision for Income and Excess Profits Taxes (including refundable portion)	<u>207,620</u>	<u>244,727</u>
Net Profit for the year	<u>\$ 94,302</u>	<u>\$ 84,186</u>

The Net Profit before Income and Excess Profits Taxes for the year 1944 represented \$3.58 per share of the Company's outstanding stock. The provision for Income and Excess Profits Taxes (including refundable portion) was \$2.46 per share, leaving the Net Profit for the year attributable to earned surplus equivalent to \$1.12 per share. Dividends at the rate of sixty cents (60c) per share were paid in 1944 and amounted to \$50,646, leaving a balance of \$43,656 to be carried to Surplus, or \$0.52 per share.

The refundable portion of Excess Profits Taxes for the year amounted to \$0.33 per share.

PLANT:

Expenditures were made during the year on account of land, buildings and equipment amounting to \$143,848, while equipment scrapped totalled \$11,864, resulting in a net increase of \$131,984. Of this amount, approximately \$90,000 represents the cost of land and buildings on Carlaw Avenue, Toronto, adjoining the Company's Pape Avenue properties, the purchase of which your Directors considered desirable to provide for future development and the economical warehousing of finished merchandise. Your Company's Management has made considerable progress in securing new lines for manufacture to supplement the Company's pre-war products and negotiations are still proceeding in this direction. It is essential that sufficient space be available to permit of the greatest economies in production and distribution.

Depreciation on plant and equipment, amounting to \$47,634 was provided during the year.

INVENTORIES:

As at December 31, 1944, the net Inventories of the Company, valued at prices not exceeding cost or market, whichever was the lower, amounted to \$1,347,282, reflecting an increase of \$137,562 when compared with Inventories of \$1,209,720 at the end of the previous year.

FINANCIAL:

The continued operation of the Company's plant facilities at a high rate of output has necessitated Bank Advances amounting to \$288,907 at the end of the year. A comparison of the Net Working Capital as at December 31, 1944 and December 31, 1943 is shown in the following figures:

	<u>1944</u>	<u>1943</u>
Current Assets.....	\$1,782,564	\$1,656,679
Current Liabilities.....	895,604	723,554
Net Working Capital.....	<u>\$ 886,960</u>	<u>\$ 933,125</u>

CANADIAN JEFFERSON ELECTRIC COMPANY, LIMITED:

Early in 1944, your Company completed the purchase of all the outstanding capital stock of the Canadian Jefferson Electric Company, Limited. This purchase adds renewable and non-renewable fuses, fluorescent lamp control equipment and small transformers for various purposes to the lines presently manufactured and merchandised by your Company.

POST-WAR PROSPECTS:

A major portion of your Company's output continues to be for essential War materials. An increase in the production of the standard products of the Company depends on the availability of material and plant facilities not devoted to War purposes. Studies have been continued with regard to the conversion of the Company's activities from war to peace and considerable progress has been made in the Company's post-war planning.

EMPLOYEES:

The Directors wish to record their appreciation of the efficiency, resourcefulness and loyalty of the employees during the past year.

Subscriptions amounting to \$227,250 in Victory Loan Bonds made by employees during the year under the Company's salary deduction plan substantially exceeded objectives.

Since the inception of the war, eleven former employees have been killed in action thereby making the supreme sacrifice in defense of their country's liberties. The Directors extend heartfelt sympathy to their relatives in addition to that already expressed by the Management; fourteen former employees have been discharged from the Armed Forces and have re-entered the Company's services. A total of 296 employees were on Military Service as at December 31, 1944.

By Order of the Board,

P. F. SISE,

President.

AMALGAMATED ELECTRIC CORPORATION, LIMITED
AND
SUBSIDIARY COMPANIES

Consolidated Balance Sheet as at December 31, 1944

ASSETS		LIABILITIES	
CAPITAL ASSETS:			
Land, Buildings, Plant and Equipment at cost.....	\$1,364,398	CAPITAL STOCK:	
DEFERRED RECEIVABLES (A).....	79,462	Common Stock—without nominal or par value:	
		Authorized—100,000 Shares	
		Issued and Paid-up—84,415 Shares.....	\$ 844,150
CURRENT ASSETS:			
Inventories of Raw Material, Goods in Process, Finished Stock, etc. (*).....	\$1,347,282	CURRENT LIABILITIES:	
Accounts Receivable (less Reserve for Doubtful Accounts).....	324,738	Bank Overdraft and Advances (Secured to the extent of \$100,000).....	\$ 288,907
Dominion of Canada Bonds.....	102,000	Accounts Payable and Accrued Charges.....	388,473
Cash.....	8,544	Provision for Taxes (less Interim Payments).....	218,224
	1,782,564		895,604
PREPAID EXPENSES:		RESERVE FOR DEPRECIATION.....	957,394
Unexpired Insurance, Prepaid Taxes, etc.....	6,604	CAPITAL SURPLUS.....	138,684
GOODWILL AND PATENTS.....	1	SURPLUS:	
	\$3,233,029	Deferred Surplus (A).....	79,462
		Earned Surplus.....	317,735
			397,197
			\$3,233,029

(A) Refundable Excess Profits Taxes.

(*) Based on Physical Inventory as at October 31, 1944, adjusted for operations to December 31, 1944, at values which do not exceed the lower of cost or market.

Approved on behalf of the Board:

P. F. SISE
A. H. ELDER } *Directors*

AUDITORS' REPORT TO THE SHAREHOLDERS

MONTREAL, March 8, 1945.

We have examined the books and accounts of Amalgamated Electric Corporation, Limited, and its Subsidiary Companies as at December 31, 1944, 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 December 31, 1944*

OPERATING PROFIT FOR YEAR—before deducting Depreciation and other charges enumerated below		\$ 391,597
DEDUCT: Provision for Depreciation	\$ 47,634	
Remuneration of Executive Officers	33,598	
Fees of Directors	1,660	
Legal Fees	6,783	89,675
PROFIT FOR YEAR before Provision for Income and Excess Profits Taxes		301,922
DEDUCT: Income and Excess Profits Taxes		*207,620
BALANCE OF PROFIT for the year		94,302
EARNED SURPLUS brought forward from previous year		274,079
		368,381
DEDUCT: Dividends Paid		50,646
EARNED SURPLUS—as per Consolidated Balance Sheet..		\$ 317,735

(*) Includes Refundable Excess Profits Tax—\$27,708.

*Consolidated Statement of Capital Surplus
For the Year Ended December 31, 1944*

Balance brought forward from previous year		\$ 138,684
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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

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>Technical Manager</i>
A. V. ARMSTRONG	<i>Assistant to the Vice-President</i>

Solicitors

WAINWRIGHT, ELDER & LAIDLEY—*Montreal*
BLAKE, ANGLIN, OSLER & CASSELS—*Toronto*

Transfer Agents

MONTREAL TRUST COMPANY—*Montreal*

Registrar

THE ROYAL TRUST COMPANY—*Montreal*



The Symbol of Satisfaction

ELECTRICAL SUPPLIES, ETC.
APARTMENT MAIL BOXES.

BALLASTS.

BOXES—Outlet; Switch.

CUTOUTS.

FILTERS—Coolant.

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

FLOODLIGHTING.

FLUORESCENT LAMP CONTROL.

FUSES.

LAMPS—Aircraft; Bed; Desk; Portable.

LIGHTING—Commercial; Cove; Portrait; Show Case; Spot; Theatre; Office; Store; School; Hospital; Industrial; Incandescent and Fluorescent; Localites.

LIGHTING CONTROL—Theatre.

MULTIBREAKER PANELBOARDS.

NEAR INFRA-RED HEATING AND DRYING EQUIPMENT.

NOFUZ BREAKERS, PANELBOARDS AND SWITCHBOARDS.

PANELBOARDS—Branch Circuit and Light and Power Distribution.

PLUGS—Attachment.

RADIO OUTLETS.

RECEPTACLES—Flush; Surface; Sign; Fixture.

REFLECTORS—Porcelain Enamel; Aluminum.

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; Pendant; Appliance; Surface; Time; Safety; Industrial; Service.

THEATRE SWITCHBOARDS.

TRANSFORMERS—Power Circuit; Control Circuit; Ignition; Luminous Tube; Mercury Lamp; Doorbell; Chime; Radio; Street Lighting.

WIRING DEVICES.

BULL DOG PRODUCTS—Panelboards; Switchboards; Safety Switches; Wiring Trough; Wireways; Busways; Trolley-Duct.

CUTLER-HAMMER PRODUCTS—Motor Control; Dimmers; Resistors.



