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# Amalgamated Electric Corporation, Limited

Montreal, Canada



**Annual Report**  
**1949**

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# **Amalgamated Electric Corporation, Limited**

**Montreal, Canada**



**Annual Report  
1949**

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

1050 Beaver Hall Hill

MONTREAL

MARCH 20th, 1950

TO THE SHAREHOLDERS:

Your Board of Directors presents herewith the Twenty-first Annual Report on the operations of your Company and its Subsidiaries, together with the Consolidated Statements of Account for the year ended December 31, 1949.

RESULTS OF OPERATIONS

After providing for Income Taxes amounting to \$52,316, net profits for the year amounted to \$72,318. This compares with net profits of \$141,442 in 1948. The decrease of \$69,124 in net profits is mainly due to increased wage and material costs which were only partially offset by price increases and improvements in operating efficiency.

During 1949, assessments for Income and Excess Profits Taxes were received for all non-assessed years up to December 31, 1948. Adjustments were of a minor nature.

No dividend was paid during the year.

PLANT

Total expenditures for machinery and equipment amounted to \$112,820 which, after deducting equipment scrapped totalling \$23,920, resulted in a net increase of \$88,900 in the Plant Account.

Depreciation amounting to \$83,345 was provided on Plant and Equipment during the year as compared to \$115,642 provided in 1948. The decrease of approximately \$32,000 is due to the fact that no double depreciation was taken in 1949 as the amount of the reserve for depreciation at the end of that year is in the same proportion to the cost of buildings and equipment as at the end of 1948.

### INVENTORIES

The inventories at December 31, 1949, valued at the lower of cost or market prices, aggregated \$1,242,773, as compared with \$1,443,723 at the close of the preceding year.

### FINANCIAL

The third principal repayment of \$100,000 was made against the 2¾% First Mortgage (Closed) Serial Bonds, on November 1, 1949, leaving a balance outstanding as at December 31, 1949, of \$200,000.

Bank Advances as at December 31, 1949, aggregated \$487,430, representing a reduction of \$155,643 from \$643,073 at the end of the previous year.

A comparison of the Net Working Capital of the Company for the years 1949 and 1948 is shown hereunder.

	<u>1949</u>	<u>1948</u>
Current Assets . . . . .	\$1,961,856	\$2,185,068
Current Liabilities . . . . .	981,589	1,179,866
Net Working Capital . . . . .	<u>\$ 980,267</u>	<u>\$1,005,202</u>

### ORGANIZATION

During the year arrangements were made to wind up the Western Canada subsidiaries and operate these as branches of your Company. It is expected that these changes and other organization changes which have been made throughout the Company should result in increased efficiency and reduced operating expenses.

## DIRECTORS

It is with regret that your Directors record the death of Mr. William Carswell on May 15, 1949. He served your Company faithfully and efficiently for almost seventeen years. At the time of his death he was a member of your Board, Secretary-Treasurer and a member of the Executive Committee.

In June 1949, Mr. D. M. Farish was elected a Director, Secretary-Treasurer and a member of the Executive Committee to replace Mr. Carswell.

## EMPLOYEES

Your Directors wish to acknowledge with appreciation the loyal and efficient service rendered by the employees during the past year.

## PROSPECTS

Present indications are that the demand for your Company's products should continue at a relatively high level throughout 1950.

By Order of the Board,

M. P. MURPHY,

President.

**AMALGAMATED ELECTRIC CORPORATION, LIMITED**  
**AND**  
**SUBSIDIARY COMPANIES**

*Consolidated Balance Sheet as at December 31, 1949*

ASSETS	
CAPITAL ASSETS:	
Land, Buildings, and Equipment at cost .....	\$1,921,126
DEFERRED RECEIVABLE .....	10,788*
CURRENT ASSETS:	
Inventories of Raw Material, Goods in Process, Finished Stock, etc.....	\$1,242,773**
Accounts Receivable (less Reserve for Doubtful Accts.).....	677,999
Dominion of Canada Bonds (at par).....	5,000
Cash.....	36,084
	1,961,856
PREPAID EXPENSES:	
Unexpired Insurance, etc.....	15,677
GOODWILL AND PATENTS.....	1
	\$3,909,448

LIABILITIES	
CAPITAL STOCK:	
Common Stock — without nominal or par value:	
Authorized — 100,000 Shares	
Issued and Paid-up — 84,415 Shares.....	\$ 844,150
2¾% FIRST MORTGAGE (CLOSED) SERIAL BONDS:	
(Due in Equal Annual Amounts November 1, 1950-1951).....	200,000
CURRENT LIABILITIES:	
Bank Overdraft.....	\$ 487,430
Accounts Payable and Accrued Charges.....	411,477
Provision for Taxes.....	82,682
	981,589
RESERVE FOR DEPRECIATION.....	1,271,857
CAPITAL SURPLUS.....	138,684
SURPLUS:	
Deferred Surplus.....	10,788*
Earned Surplus.....	462,380
	473,168
	\$3,909,448

AUDITORS' REPORT TO THE SHAREHOLDERS

MONTREAL, February 23, 1950.

We have made an examination of the books and accounts of the Amalgamated Electric Corporation, Limited, and its subsidiary Companies for the year ended December 31, 1949, 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 accompanying Consolidated Statements of Profit and Earned Surplus, Capital Surplus and Deferred Surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Companies as at December 31, 1949 and the results of the operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

D. M. FARISH, C.A.,  
Treasurer.

McDONALD, CURRIE & Co.,  
Chartered Accountants.

\* Refundable Excess Profits Tax.

\*\* Based on physical inventories as at October 31, 1949 (valued at cost or market, whichever was lower) adjusted for operations to December 31, 1949, and after deducting reserve.

Approved on behalf of the Board:

M. P. MURPHY	}	Directors.
A. H. ELDER		

AMALGAMATED ELECTRIC CORPORATION, LIMITED  
AND  
SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Earned Surplus  
for Year Ended December 31, 1949*

OPERATING PROFIT FOR YEAR — After deducting charges enumerated below . . . . .	\$124,634
Provision for Depreciation . . . . .	\$ 83,345
Remuneration of Executive Officers . . . . .	32,732
Fees of Directors . . . . .	1,800
Legal Fees . . . . .	1,209
Bond Interest . . . . .	7,798
	\$126,884
PROVISION FOR INCOME TAXES . . . . .	52,316
NET PROFIT for the year . . . . .	72,318
EARNED SURPLUS brought forward from previous year . . . . .	348,304
TRANSFER FROM DEFERRED SURPLUS — Refundable Excess Profits Tax received in 1949 . . . . .	41,758
EARNED SURPLUS — as per Consolidated Balance Sheet . . . . .	\$462,380

*Consolidated Statement of Capital Surplus  
for Year Ended December 31, 1949*

Balance brought forward from previous year . . . . .	\$138,684
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*Consolidated Statement of Deferred Surplus  
for Year Ended December 31, 1949*

Balance brought forward from previous year . . . . .	\$ 64,376
Deduct: Adjustment of Refundable Excess Profits Tax . . . . .	11,830
	52,546
Deduct: Refundable Excess Profits Tax received in 1949 — transferred to Earned Surplus . . . . .	41,758
Balance carried forward . . . . .	\$ 10,788



# AMALGAMATED ELECTRIC CORPORATION, LIMITED

## DIRECTORS

*A. V. ARMSTRONG	R. D. HARKNESS
AUBREY H. ELDER	HOMER M. JAQUAYS
*D. M. FARISH	RICHARD O. JOHNSON
C. W. FINDLOW	*M. P. MURPHY

\*P. F. SISE

\*Members of the Executive Committee

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## OFFICERS

P. F. SISE	<i>Chairman of the Board</i>
M. P. MURPHY	<i>President</i>
A. V. ARMSTRONG	<i>Vice-President &amp; Managing Director</i>
D. M. FARISH	<i>Secretary-Treasurer</i>

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STANLEY LANGLEY	<i>Technical Manager</i>
C. W. FINDLOW	<i>Works Manager</i>
C. D. MCCAIG	<i>General Sales Manager</i>
M. K. DOUGLAS	<i>Chief Accountant</i>

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## SOLICITORS

WAINWRIGHT, ELDER & LAIDLEY — MONTREAL  
BLAKE, ANGLIN, OSLER & CASSELS — TORONTO

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## TRANSFER AGENTS

MONTREAL TRUST COMPANY — MONTREAL



## Endorsed Electrical Equipment

### DISTRIBUTION EQUIPMENT

Breakers—Nofuz  
Busways  
Cabinets—Cutter, Junction, Pull, Splitter, Telephone, Transformers.  
Fuse Clamps and Grips.  
Panelboards—Distribution, Lighting, Residential.  
Switches—Industrial, Service.  
Switchboards—Lighting, Power.  
Trol-E-Duct.  
Wireways.

### LIGHTING EQUIPMENT

Display, Floodlighting, Spot.  
Floating Arm Lamps.  
Fluorescent, Incandescent.  
Porcelain Enamel Reflectors.  
Theatre Control.  
Vapor-Proof, Dust-Tight, Explosion-Proof.

### MOTOR CONTROL

Drum, Pressure, Float, Foot, Vacuum and Limit Switches.  
Magnetic Brakes.  
Mill Duty Control.  
Pushbutton Stations.  
Resistors, Rheostats, Dimmers.  
Starters and Speed Regulators.  
Unitrol Control Centres.

### WIRING SUPPLIES

Apartment Mail Boxes.  
Ballasts—Fluorescent.  
Boxes—Outlet and Switch.  
Cable Clamps and Connectors.  
Fittings—Fixture, Ground, Conduit.  
Fuses—Cartridge.  
Signals—Industrial.  
Transformers—Bell Ringing, Chime, Control, Lighting, Luminous Tube, Oil Burner Ignition, Power Circuit, Signalling.  
Wiring Devices.



