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# **Amalgamated Electric Corporation, Limited**

**Montreal, Canada**



**Annual Report  
1950**

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# **Amalgamated Electric Corporation, Limited**

**Montreal, Canada**



**Annual Report  
1950**

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

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 19, 1951

TO THE SHAREHOLDERS:

Herewith is submitted, on behalf of your Directors, the Twenty-second Annual Report on the operations of your Company and its subsidiaries, together with the Consolidated Statements of Account for the year ended December 31, 1950.

RESULTS OF OPERATIONS

After providing for Income Taxes amounting to \$133,422 net profits for the year amounted to \$175,883. This compares with net profits of \$72,318 in 1949.

Due to increased labour and material costs, the net profits, while showing an improvement over 1949, are low, having regard to the high volume of business and investment involved.

An interim dividend of Thirty Cents (\$0.30) per share was paid on December 18th, 1950, to Shareholders on record November 15th, 1950. This is the first dividend paid since July 2nd, 1946.

PLANT

Total expenditures for machinery and equipment amounted to \$66,838 which, after deducting equipment scrapped

totalling \$25,619, resulted in a net increase of \$41,219 in the Plant Account.

Depreciation amounting to \$185,726 was provided on plant and equipment during the year as compared with \$83,345 provided in 1949. The higher charge in 1950 results for the most part by taking allowances in conformity with income tax regulations, on plant and equipment other than dies, on which latter sufficient depreciation was provided, in the opinion of your management.

#### INVENTORIES

The inventories at December 31, 1950, valued at the lower of cost or market prices, aggregated \$1,953,844, as compared with \$1,242,773 at the close of the preceding year.

#### FINANCIAL

The fourth principal repayment of \$100,000 was made November 1, 1950, on the 2 $\frac{3}{4}$  % First Mortgage (Closed) Serial Bonds, leaving an outstanding balance of \$100,000 as at December 31, 1950.

It will be noted, however, that increased working capital requirements have necessitated increased bank advances which, as at December 31st, 1950, aggregated \$758,806, an increase of \$271,376 during the year.

Hereunder is shown a comparison of the Net Working Capital of the Company for the years 1950 and 1949:

	<u>1950</u>	<u>1949</u>
Current Assets . . . . .	\$2,539,543	\$1,961,856
Current Liabilities . . . . .	1,390,737	981,589
Net Working Capital . . . . .	<u>\$1,148,806</u>	<u>\$ 980,267</u>

## ORGANIZATION

The winding up of the subsidiaries in the western provinces was proceeded with during the year and the business of those companies is now being conducted by the Company's western branches.

## EMPLOYEES

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

## PROSPECTS

With unsettled conditions in international affairs and the trend to a state of re-armament, your Company will be affected by scarcity of vital materials. It is reasonable to expect, however, that demand for your Company's products should continue at a relatively high level during 1951.

On behalf of the Board,

M. P. MURPHY

President.

AMALGAMATED ELECTRIC CORPORATION, LIMITED  
AND  
SUBSIDIARY COMPANIES

*Consolidated Balance Sheet as at December 31, 1950*

ASSETS

CAPITAL ASSETS:

Land, Buildings, and Equipment at cost . . . . . \$ 1,962,345

CURRENT ASSETS:

Inventories of Raw Material, Goods in Process,  
Finished Stock, etc. . . . . \$1,953,844 \*

Accounts Receivable (less Reserve for Doubtful  
Accts.) . . . . . 553,396

Government of Canada Bonds (Market Value \$4,984) . . . . . 5,000

Cash . . . . . 27,303

PREPAID EXPENSES . . . . . 28,197

GOODWILL AND PATENTS . . . . . 1

\$4,530,086

LIABILITIES

CAPITAL STOCK:

Common Stock — without nominal or par value:  
Authorized — 100,000 Shares  
Issued and Paid up — 84,415 Shares . . . . . \$ 844,150

2<sup>3</sup>/<sub>4</sub>% FIRST MORTGAGE (CLOSED) SERIAL BONDS:  
(Due November 1, 1951) . . . . . 100,000

CURRENT LIABILITIES:

Bank Overdraft . . . . . \$ 758,806

Accounts Payable and Accrued Charges . . . . . 503,066

Provision for Taxes . . . . . 128,865

RESERVE FOR DEPRECIATION . . . . . 1,432,787

CAPITAL SURPLUS . . . . . 138,684

EARNED SURPLUS . . . . . 623,728

\$4,530,086

\* Based on Physical Inventories as at October 31, 1950 (valued at cost or market, whichever was lower) adjusted for operations to December 31, 1950, and after deducting reserve.

Approved on behalf of the Board:

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

AUDITORS' REPORT TO THE SHAREHOLDERS

TORONTO, February 21, 1951.

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, 1950, 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 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, 1950, 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

AMALGAMATED ELECTRIC CORPORATION, LIMITED  
AND  
SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Earned Surplus  
for Year Ended December 31, 1950*

OPERATING PROFIT FOR YEAR — After deducting charges enumerated below: .....	309,305
Provision for Depreciation .....	185,726*
Remuneration of Executive Officers .....	34,132
Fees of Directors .....	1,720
Legal Fees .....	9,695
Bond Interest .....	5,048
	236,321
PROVISION FOR INCOME TAXES .....	133,422
NET PROFIT for the year .....	175,883
EARNED SURPLUS brought forward from previous year .....	462,380
TRANSFER FROM DEFERRED SURPLUS — Balance December 31, 1949 being refundable excess profits tax received in 1950 .....	10,788
	649,051
Deduct: Dividend Paid .....	25,323
	623,728

\*See comment in President's Report



# 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  
Bus Duct.  
Cabinets — Gutter, 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.  
Vapor-Proof, Dust-Tight, Explosion-Proof.

### MOTOR CONTROL

Float, Foot and Limit Switches.  
Magnetic Brakes.  
Mill Duty Control.  
Pushbutton Stations.  
Resistors.  
Starters.  
Unitrol Control Centres.

### WIRING SUPPLIES

Boxes—Outlet and Switch.  
Cable Clamps and Connectors.  
Fittings—Fixture, Ground.  
Fuses—Cartridge.  
Signals—Industrial.  
Transformers—Luminous Tube, Oil Burner Ignition.  
Wiring Devices.





