



Thirty-first Annual Report

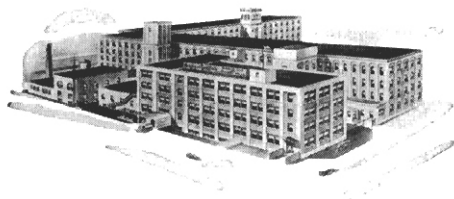
*For Year Ended
November 30th*

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Belding-Corticelli
Limited

Belding-Corticelli *Limited*

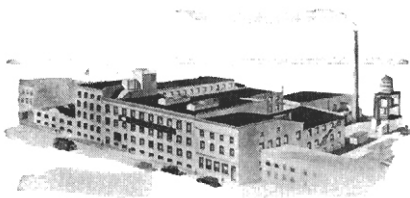
Head Office and Mills



MONTREAL, QUE.



COATICOOK, QUE.



ST. JOHNS, QUE.

*Board of
Directors*

□
□

President

W. P. MACDOUGALL

Directors

J. M. MACKIE

R. C. VAUGHAN

P. F. SISE

A. S. BRUNEAU, K.C.

J. D. JOHNSON

C. E. GRAVEL

Officers

□
□

President and Managing Director

W. P. MACDOUGALL

Vice-President

J. M. MACKIE

Treasurer

J. P. KENNEDY

Secretary

D. F. POLLOCK

Belding-Corticelli *Limited*

THIRTY-FIRST ANNUAL REPORT OF THE BOARD OF DIRECTORS

*For presentation to the Shareholders at the Annual Meeting to be held at the
Company's Offices, 1455 Shearer Street, Montreal, on Monday,
February 15th, 1943, at 12 o'clock noon.*

Your Directors have much pleasure in presenting herewith their report on the operations of your Company for the fiscal year ended November 30th, 1942, together with the Balance Sheet and the Profit and Loss Account, duly certified by your Auditors, Messrs. Riddell, Stead, Graham & Hutchison, as per certificate herewith.

NET PROFIT—The net profit for the year was \$158,955.07, after providing \$514,000.00 for Income and Excess Profits Taxes (including 5 months at the new rates), Depreciation, Employees Benefit Reserve, Executive remuneration, etc.

DIVIDENDS—During the year dividends totalling \$90,551.00 were paid on the Preferred and Common Stocks, also an extra 2% Common Stock dividend was paid for the year 1941, amounting to \$14,990.00.

LAND VALUES—A reduction of \$95,583.00 has been made in the book value of the land occupied by your Company at Montreal and Coaticook, which has been charged to Surplus Account.

DOMESTIC AND EXPORT SALES—The total volume was the largest in the history of your Company notwithstanding the reduction in Export sales due to shipping difficulties.

WAR EFFORT—Your Company continued to produce war supplies in considerable volume.

RAW MATERIALS are increasingly difficult to secure in sufficient quantity to keep your mills operating full time.

THE WORKERS AND STAFF—At the close of the year, 124 employees of this Company were serving in the armed forces, leaving those who remained an increased volume of work which they have assumed and carried on with their usual enthusiastic interest—your Directors wish to pay tribute to each one for their contribution.

Respectfully submitted on behalf of the Board.

W. P. MACDOUGALL,
President.

Belding-Corticelli Limited

BALANCE SHEET AS AT 30TH NOVEMBER, 1942

<u>ASSETS</u>	<u>LIABILITIES</u>
<u>CURRENT ASSETS</u>	<u>CURRENT LIABILITIES</u>
Cash on Hand and in Bank \$ 182,564.99	Accounts Payable \$ 132,602.01
Investments—Government Bonds, etc., at book value, plus Accrued Interest 599,855.07	Sales Taxes, Pay Roll Tax deductions, etc. 20,006.91
(Approximate market value \$604,637.00)	Reserve for Government Taxes, subject to final determination by taxing authorities. (After prepayment of \$240,000.00 to the Dominion Government) 325,001.27
Accounts and Bills Receivable, less Reserve for Discount and Doubtful Accounts 440,728.85	Accrued Charges, Wages, etc. 44,640.30
Employees' Subscriptions to Victory Loans, secured by \$45,400. Victory Loan Bonds 32,142.15	Dividend on Preferred Stock, payable 2nd January, 1943 15,142.75
Inventories of Manufactured and Partly Manufactured pro- ducts, Raw Materials, Supplies, etc., quantities and con- dition determined by the Management, valued on a con- servative basis and not over replacement value, less Reserves (including Reserve permitted by the Excess Profits Tax Act) 753,598.01	Dividend on Common Stock, payable 2nd January, 1943 7,495.00
<u>Total Current Assets \$2,008,889.07</u>	<u>Total Current Liabilities \$ 544,888.24</u>
<u>GOODWILL AND TRADE MARKS 1.00</u>	<u>RESERVES</u>
<u>PROPERTY ACCOUNTS</u>	Employees' Benefit Reserve \$ 183,086.85
Real Estate, Plant, Machinery, Equipment and Office Furniture, as at 30th November, 1941 \$3,039,756.98	Contingent Reserves 50,930.03
Less: Real Estate value written down 95,583.00	Advertising Reserve 10,000.00
<u>\$2,944,173.98</u>	<u>244,016.88</u>
Additions during year (net) 71,029.02	<u>CAPITAL STOCK</u>
<u>\$3,015,203.00</u>	7% Cumulative Preferred Shares of \$100 each.
Reserve for Depreciation 2,008,815.55	Authorized— 16,500 shares. \$1,650,000.00
<u>1,006,387.45</u>	Issued 8,653 shares. 865,300.00
<u>DEFERRED CHARGES</u>	Common Shares of \$100 each.
Insurance, Taxes, etc. 11,816.38	Authorized— 8,500 shares. 850,000.00
<u>REFUNDABLE PORTION OF EXCESS PROFITS TAX 42,646.94</u>	Issued 7,495 shares. 749,500.00
<u>\$3,069,740.84</u>	<u>\$2,500,000.00</u> 1,614,800.00
	<u>EARNED SURPLUS</u>
	Balance as per attached statement 623,388.78
	<u>DEFERRED SURPLUS</u>
	Refundable Portion of Excess Profits Tax 42,646.94
	<u>\$3,069,740.84</u>

MONTREAL, 19TH JANUARY, 1943.

Verified, as per our Report of this date.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,
Chartered Accountants, Auditors.

W. P. MACDOUGALL, Director.
J. M. MACKIE, Director.

Belding-Corticelli Limited

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH NOVEMBER, 1942

PROFITS

For the year ended 30th November, 1942, after deducting all Manufacturing, Selling and Administration Expenses, but before providing for Depreciation, etc.	\$ 930,360.10
Income from Investments	10,830.32
	\$ 941,190.42

DEDUCT:

Provision for Depreciation	\$ 185,582.35	
Provision for Income and Excess Profits Taxes, including Refundable portion . . .	514,000.00	
Employees' Benefit Reserve	25,000.00	
Directors' Remuneration	7,320.00	
Executive Remuneration	47,530.00	
Legal Fees	2,803.00	
	782,235.35	
<i>Net Profit transferred to Earned Surplus</i>	\$ 158,955.07	

EARNED SURPLUS

Balance at credit 1st December, 1941	\$ 668,796.71
Less: Written off Real Estate	\$ 95,583.00
Additional Inventory Reserve for 1941, under Excess Profits Tax Act	3,239.00
	98,822.00
	569,974.71
Net Profit for the year ended 30th November, 1942	158,955.07
	728,929.78

DEDUCT:

2% Extra Common Dividend for 1941 paid 2nd March, 1942	14,990.00
Dividend on Preferred Stock for the year ended 30th November, 1942	60,571.00
Dividend on Common Stock for the year ended 30th November, 1942	29,980.00
	105,541.00
<i>Balance as per Balance Sheet</i>	\$ 623,388.78

RIDDELL, STEAD, GRAHAM & HUTCHISON

Chartered Accountants

460 ST. FRANCOIS XAVIER ST.
P.O. BOX 2398 PLACE D'ARMES,
MONTREAL

19th January, 1943.

TO THE PRESIDENT AND SHAREHOLDERS,
OF BELDING-CORTICELLI LIMITED,
MONTREAL, QUE.

We have examined and audited the Books and Accounts of Belding-Corticelli Limited for the year ended 30th November, 1942, and find that the accompanying Balance Sheet and Profit & Loss Account have been correctly prepared therefrom.

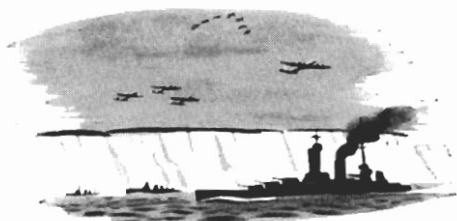
The Investments of the Company have been verified by actual inspection of the Securities held or by Certificate from the Depositary.

The Inventories of Stock on hand, as certified by responsible Officials of the Company, have been valued on a conservative basis.

We report that we have obtained all the information and explanations we have required and that, in our opinion, the Balance Sheet as at 30th November, 1942, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information, the explanations given to us and as shown by the Books of the Company.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,
Auditors.

THE WARTIME ADVENTURES of *Corty* THE Kitten



YOU'LL FIND ME STANDING GUARD UPON
THE FAMED WHITE CLIFFS OF DOVER,



FOR THINGS I MAKE ALL HELP TO KEEP
THE HUNS FROM COMING OVER.



IN ARMY, NAVY, AIRFORCE, YOU
WILL FIND MY CONTRIBUTION
TO FREEDOM'S CAUSE,
TO HASTE THE DAY
OF HITLER'S RETRIBUTION!



Yes, the Corticelli Kitten is out there playing its part for victory. Our mills are producing vast quantities of vitally needed materials for all branches of the armed services, as well as for makers of vital ordnance. So perhaps there will continue to be some shortage of Corticelli goods for domestic use... 'til "Corty Comes Marching Home". Meanwhile, and above all, *do not blame your dealer!*

Corticelli
MADE IN CANADA



Head Office
MONTREAL, P.Q.



Branches
TORONTO, ONT.
WINNIPEG, MAN.
VANCOUVER, B.C.



Mills
MONTREAL, P.Q.
ST. JOHNS, P.Q.
COATICOOK, P.Q.