

# Thirty-Second Annual Report

*For Year Ended  
November 30th  
1 9 4 3*

*Belding-Corticelli*  
*Limited*

PURVIS HALL  
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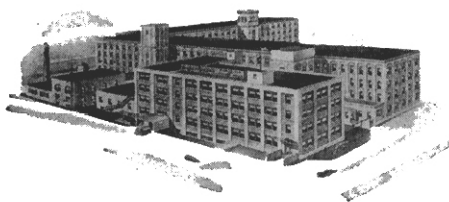
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MCGILL UNIVERSITY

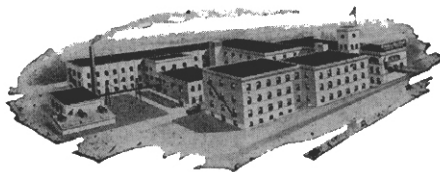


# *Belding-Corticelli* *Limited*

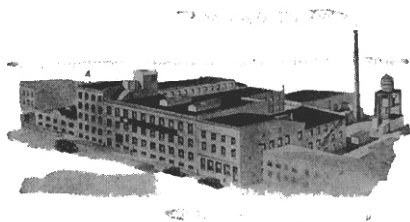
Head Office and Mills



MONTREAL, QUE.



COATICOOK, QUE.



ST. JOHN'S, 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-SECOND ANNUAL REPORT OF THE BOARD OF DIRECTORS

*For presentation to the Shareholders at the Annual Meeting to be held at the  
Head Office, 1455 Shearer Street, Montreal, on Wednesday,  
February 9th, 1944, at 12 o'clock noon.*

Your Directors submit herewith the Thirty-second Annual Report of the operations of your Company, for the fiscal year ended November 30th, 1943, together with the Balance Sheet and the Profit and Loss Statement, duly certified by your Auditors, Messrs. Riddell, Stead, Graham & Hutchison, as per certificate herewith.

NET PROFIT for the year, after providing for full Depreciation, Income and Excess Profits Taxes, Employees Benefit Reserve, Executive Remuneration, etc., was \$114,006.88. The lower margin of profit was due to a reduction in sales, fewer war orders and to the use of synthetic yarns at lower than silk prices, also increased costs with no corresponding increase in selling prices, smaller quantities of raw materials available, less trained help, resulting in night operations being practically eliminated, all accompanied by additional overhead due to lowered production.

DIVIDENDS on the Preferred and Common Stocks, amounting to a total of \$90,551.00, were paid during the year, also an extra 2% Common Stock dividend amounting to \$14,990.00 was paid out of the profits of the year 1942.

PROPERTIES—Complying with Government regulations very little machinery has been purchased during the past three years. As customary your properties have been maintained in the best condition possible considering Government restrictions on the purchases of materials and the shortage in our mechanical staff.

EXPORT TRADE—Notwithstanding the difficult conditions that prevailed during the year, especially the earlier part, we have endeavored to keep goods moving forward on a quota basis to our customers.

WAR EFFORT—Your Company continued to produce war supplies, the final price of which has yet to be ascertained by Government audit.

EMPLOYEES—Your Directors, Officers and Executive appreciate that an extra heavy burden has been placed upon the entire staff, and wish to pay tribute to those employees now serving in the Armed Forces, and to all others for their loyalty and devotion to duty, and to extend sincere appreciation and thanks.

Respectfully submitted on behalf of the Board.

W. P. MACDOUGALL,  
President.

# *Belding-Corticelli* Limited

BALANCE SHEET AS AT 30TH NOVEMBER, 1943

<u>ASSETS</u>	
<u>CURRENT ASSETS</u>	
Cash on Hand and in Bank .....	\$ 118,037.32
Investments—Government Bonds, etc., at book value, plus Accrued Interest .....	734,469.15
<i>(Approximate market value \$740,910.00)</i>	
Accounts and Bills Receivable, less Reserve for Discount and Doubtful Accounts .....	420,540.59
Balance of Employees' Victory Loan Subscriptions (secured by \$68,750,000 Victory Loan Bonds of which \$49,700.00 are held by Bank— as per Contra) .....	51,151.91
Inventories of Manufactured and Partly Manufactured pro- ducts, Raw Materials, Supplies, etc., quantities and condi- tion determined by the Management, valued on a conservative basis and not over replacement value, less Reserves (including Reserve permitted by the Excess Profits Tax Act) .....	636,881.62
<i>Total Current Assets</i> .....	<i>\$1,961,080.59</i>
<u>GOODWILL AND TRADE MARKS</u> .....	1.00
<u>PROPERTY ACCOUNTS</u>	
Real Estate, Buildings, Machinery, Equipment and Office Furniture, as at 30th November, 1942 .....	\$3,015,203.00
Additions during year (net) .....	141.97
	\$3,015,344.97
Reserve for Depreciation .....	2,148,050.57
	867,294.40
<u>DEFERRED CHARGES</u>	
Insurance, Taxes, etc. ....	22,794.90
<u>REFUNDABLE PORTION OF EXCESS PROFITS TAX</u> ..	
	57,443.91
	<b>\$2,908,614.80</b>

W. P. MacDOUGALL, Director.  
J. M. Mackie, Director.

<u>LIABILITIES</u>	
<u>CURRENT LIABILITIES</u>	
Bank Loans for Employees' Victory Loan Subscriptions Secured—as per Contra .....	\$ 49,700.00
Accounts Payable .....	154,879.49
Sales Taxes Pay Roll Tax Deductions, etc. ....	28,103.81
Reserve for Government Taxes, subject to final determination by taxing authorities. (After prepayment of \$153,096.14.)	60,605.93
Accrued Charges, Wages, etc. ....	45,843.27
Dividend on Preferred Stock, payable 3rd January, 1944. ....	15,142.75
Dividend on Common Stock, payable 3rd January, 1944. ....	7,495.00
<i>Total Current Liabilities</i> .....	<i>\$ 361,770.25</i>
<u>RESERVES</u>	
Employees' Benefit Reserve .....	\$ 183,086.85
Contingent Reserves .....	50,484.83
Advertising Reserve .....	10,000.00
	243,571.68
<u>CAPITAL STOCK</u>	
7% Cumulative Preferred Shares of \$100 each.	
Authorized—16,500 shares. ....	\$1,650,000.00
Issued 8,653 shares. ....	865,300.00
Common Shares of \$100 each.	
Authorized— 8,500 shares. ....	850,000.00
Issued 7,495 shares. ....	749,500.00
	\$2,500,000.00
	1,614,800.00
<u>EARNED SURPLUS</u>	
Balance as per attached statement .....	631,028.96
<u>DEFERRED SURPLUS</u>	
Refundable Portion of Excess Profits Tax .....	57,443.91
	<b>\$2,908,614.80</b>

MONTREAL, 8TH JANUARY, 1944.

Verified, as per our Report of this date.

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

# *Belding-Corticelli* *Limited*

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH NOVEMBER, 1943

### PROFITS

For the year ended 30th November, 1943, after deducting all Manufacturing, Selling and Administration Expenses, but before providing for Depreciation, etc.....	\$ 470,049.26
Income from Investments.....	16,616.10
Profit on Sale of Investments.....	3,660.24
	<u>\$ 490,325.60</u>

### DEDUCT:

Provision for Depreciation.....	\$ 159,188.52
Provision for Income and Excess Profits Taxes, including Refundable portion...	153,096.14
Employees' Benefit Reserve.....	7,612.76
Directors' Remuneration.....	7,580.00
Executive Remuneration.....	47,530.00
Legal Fees.....	1,311.30
	<u>376,318.72</u>
Net Profit transferred to Earned Surplus.....	<u><u>\$ 114,006.88</u></u>

### EARNED SURPLUS

Balance at credit 1st December, 1942.....	\$ 623,388.78
Less: 2% Extra Common Divi- dend for 1942 paid March, 1943.....	\$14,990.00
Special War Contract Ma- chinery Depreciation— 1942.....	6,934.79
	<u>21,924.79</u>
	\$ 601,463.99
Add: Adjustment of 1942 Income and Excess Profits Taxes.....	6,109.09
	<u>\$ 607,573.08</u>
Net Profit for the year ended 30th November, 1943.	\$ 114,006.88
Less: Dividend on Preferred Stock for the year ended 30th November, 1943..	\$60,571.00
Dividend on Common Stock for the year ended 30th November, 1943..	29,980.00
	<u>90,551.00</u>
	<u>23,455.88</u>
Balance as per Balance Sheet.....	<u><u>\$ 631,028.96</u></u>

RIDDELL, STEAD, GRAHAM & HUTCHISON  
*Chartered Accountants*

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

8th January, 1944.

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, 1943, and find that the accompanying Balance Sheet and Profit and 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.

The Company have presently under discussion with the Department of Munitions and Supply the re-negotiation of certain Government Contracts completed during the years 1940, 1941 and 1942.

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, 1943, 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 VICTORY VIEWS OF

*Corty the Kitten*



AS NURSING SISTER, CWAC AND WREN  
AND WITH THE AIR FORCE FLYERS,  
I'VE SEEN THE FIGHTING QUALITIES  
THAT FOILED THE HUNS' DESIRES!

THE SHOE IS ON THE OTHER FOOT  
TODAY: WE ARE ATTACKING  
AND EVERYWHERE ON EVERY FRONT  
THE ENEMY IS CRACKING!

SO NOW THAT VICTORY LOOMS AHEAD  
MY THOUGHTS TO HOME ARE TURNING,  
TO MAKE YOU PLENTY OF THE GOODS  
FOR WHICH YOU HAVE BEEN YEARNING!

Then you'll see  
something wonderful in

*Corticelli*  
MADE IN CANADA

HOSIERY

What materials will be used in post-war stockings—Silk? Nylon? Rayon? Newer fibres? Mixtures? Of course, no one can be sure yet, but whatever the materials, you will find Corticelli out front in the fashion parade, with better-looking, longer-lasting

hosiery to add glamour and charm to milady's appearance. Already Corticelli is planning how that will be accomplished. And in the meantime, if your dealer must say "No!" when you say "Corticelli?", please be patient.

*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.