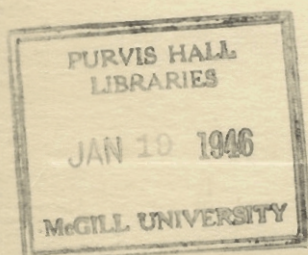




Thirty-Fourth Annual Report

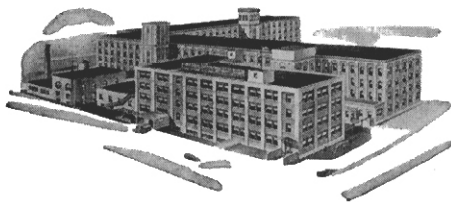
*For Year Ended
November 30th
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Belding-Corticelli
Limited

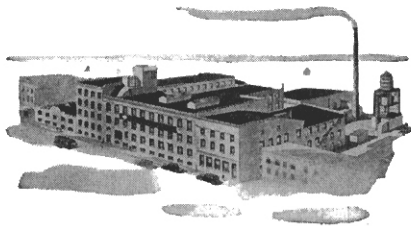


Belding-Corticelli *Limited*

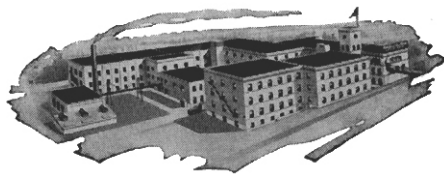
Head Office and Mills



MONTREAL, QUE.



ST. JOHNS, QUE.



COATICOOK, 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
L. B. RAMSEY

Secretary
D. F. POLLOCK



Belding-Corticelli *Limited*

THIRTY-FOURTH ANNUAL REPORT OF THE BOARD OF DIRECTORS

*For presentation to the Shareholders at the Annual General Meeting to be held at
the Head Office, 1455 Shearer Street, Montreal, on Wednesday
February 6th, 1946, at 12 o'clock noon.*

Your Directors have much pleasure in presenting herewith their report of the operations of your Company for the fiscal year ended November 30th, 1945, together with the Balance Sheet and Profit and Loss Account, duly certified by your Auditors, Messrs. Riddell, Stead, Graham & Hutchison, as per certificate herewith.

NET PROFIT for the year was \$131,373.50 after providing \$281,400.54 for Income and Excess Profits taxes, full Depreciation, Executive remuneration, etc.

Dividends on the Preferred and Common stocks amounting to \$90,551.00 were paid and an extra 2% Common stock dividend of \$14,990.00 was paid out of the profits of the year 1944.

PROPERTIES—Controls being relaxed, and in some cases lifted, considerable new machinery and equipment was installed, and your properties improved to that extent, continuing your Directors policy of annual expenditures to maintain buildings, equipment and manufacturing facilities at the highest state of efficiency, so as to place your Company in a reasonable position to meet competition.

RENEGOTIATION OF WAR CONTRACTS has been completed to November 30th, 1943, and the necessary adjustments made in your Company's accounts.

EMPLOYEES—Your Directors were happy to welcome back during the year many of our men and women who have served in the Armed forces and wish to extend a hearty welcome to each one, and to especially thank all Employees for their loyal and efficient service during the year.

Respectfully submitted on behalf of the Board

W. P. MACDOUGALL,
President.

Belding-Corticelli Limited

BALANCE SHEET AS AT 30TH NOVEMBER, 1945

<u>ASSETS</u>	
<u>CURRENT ASSETS</u>	
Cash on Hand and in Bank	\$ 110,501.78
Investments—Government Bonds, etc., at book value plus accrued interest (Approximate Market Value \$814,338.00)	805,994.29
Accounts and Bills Receivable, less Reserve for Doubtful Accounts	476,265.80
Balance of Employees' Subscriptions to Victory Loans secured—subject to Bank Loan as per Contra	113,294.21
Inventories of Manufactured and Partly Manufactured products, Raw Materials, Supplies, etc., quantities and condition 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)	609,353.23
<i>Total Current Assets</i>	\$2,115,409.31
<u>GOODWILL AND TRADE MARKS</u>	1.00
<u>PROPERTY ACCOUNTS</u>	
Real Estate, Plant, Machinery, Equipment and Office Furniture, as at 30th November, 1944	\$3,069,519.42
Additions during the year—Net	203,939.14
	3,273,458.56
Reserve for Depreciation	2,346,830.11
	926,628.45
<u>DEFERRED CHARGES</u>	
Insurance, Taxes, etc.	\$ 12,217.36
Balance Coaticook Power Contract	69,750.00
	81,967.36
<u>REFUNDABLE PORTION OF EXCESS PROFITS TAX.</u>	125,911.72
	\$3,249,917.84

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

<u>LIABILITIES</u>	
<u>CURRENT LIABILITIES</u>	
Bank Loan for Employees' Victory Loan Subscriptions, secured by \$120,000.00 Victory Loan Bonds	\$ 104,000.00
Accounts Payable	200,569.74
Sales Taxes, Pay Roll Tax Deductions, etc.	24,136.48
Reserve for Government Taxes, subject to final determination by taxing authorities—after prepayment of \$250,000.00	81,752.83
Accrued Charges, Wages, etc.	34,422.03
Dividend on Preferred Stock, payable 2nd January, 1946	\$ 15,142.75
Dividend on Common Stock, payable 2nd January, 1946	7,495.00
	22,637.75
<i>Total Current Liabilities</i>	\$ 467,518.83
<u>RESERVES</u>	
Employees' Benefit Reserve	\$ 183,086.85
Contingent Reserves	49,548.62
Advertising Reserve	10,000.00
	242,635.47
<u>CAPITAL STOCK</u>	
7% Cumulative Preferred Shares of \$100.00 each.	
Authorized—16,500 Shares	\$1,650,000.00
Issued — 8,653 Shares	865,300.00
Common Shares of \$100.00 each.	
Authorized— 8,500 Shares	850,000.00
Issued — 7,495 Shares	749,500.00
	1,614,800.00
	\$2,500,000.00
<u>CAPITAL SURPLUS</u>	74,000.00
<u>EARNED SURPLUS</u>	
Balance as per attached statement	725,051.82
<u>DEFERRED SURPLUS</u>	
Refundable Portion of Excess Profits Tax	125,911.72
	\$3,249,917.84

MONTREAL, 14TH JANUARY, 1946.

Verified, subject to 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, 1945

PROFITS

For the year ended 30th November, 1945, after deducting all Manufacturing, Selling, and Administration Expenses, but before providing for Depreciation, etc.	\$ 605,838.57
Income from Investments	17,657.46
Profit from Sale of Investments, etc.	7,143.36
	\$ 630,639.39

DEDUCT:

Provision for Depreciation	\$ 150,553.59
Provision for Income and Excess Profits Taxes, including Refundable Portion	281,400.54
Directors' Remuneration	7,340.00
Executive Remuneration	58,964.16
Legal Fees	1,007.60
	499,265.89
<i>Net Profit transferred to Earned Surplus</i>	<i>\$ 131,373.50</i>

EARNED SURPLUS

Balance at credit 30th November, 1944.	\$ 651,152.54
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ADD:

Transfer from Bad Debts Reserve	28,470.35
Overprovision in prior years for Income and Excess Profits Taxes	22,483.08
	\$ 702,105.97

DEDUCT:

2% Extra Common Dividend for 1944 paid 1st March, 1945	\$ 14,990.00
Sundry adjustments in prior years	2,886.65
	17,876.65
	\$ 684,229.32

Net Profit for the year ended 30th November, 1945	131,373.50
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DEDUCT:

7% Dividend on Preferred Stock for the year ended 30th No- vember, 1945	\$60,571.00
4% Dividend on Common Stock for the year ended 30th No- vember, 1945	29,980.00
	90,551.00
	40,822.50
<i>Balance as per Balance Sheet</i>	<i>\$ 725,051.82</i>

RIDDELL, STEAD, GRAHAM & HUTCHISON

Chartered Accountants

460 ST. FRANCOIS XAVIER ST.
P.O. BOX 2398 PLACE D'ARMES
MONTREAL, 1

14th January, 1946.

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, 1945, 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 Depository.

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

The renegotiation of All War Contracts up to and including 1943 has been completed; any adjustments for subsequent years will, in our opinion, only affect the Refundable Portion of the Excess Profits Tax.

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, 1945, 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,

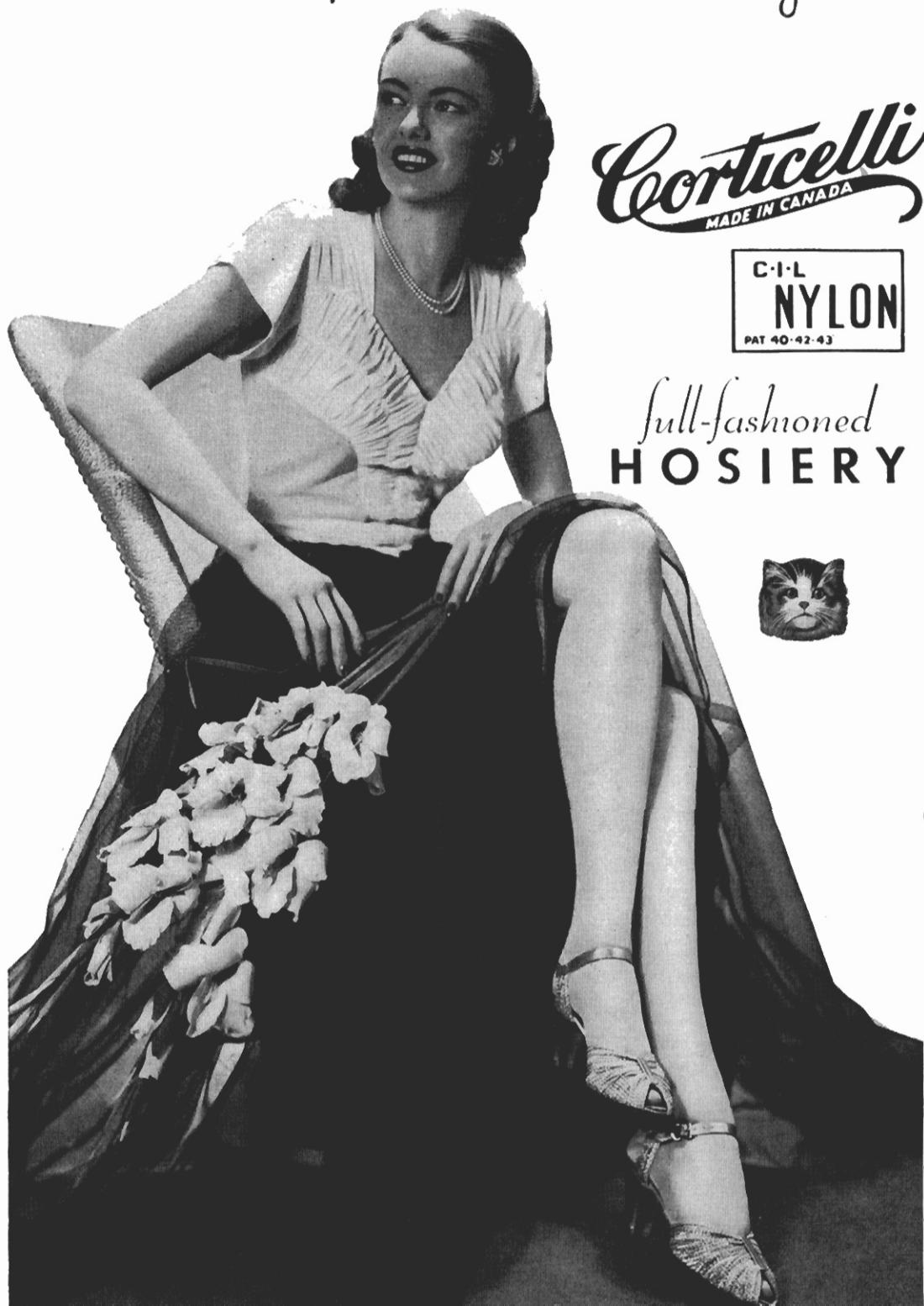
Auditors.

"Choice of the Discriminating"

Corticelli
MADE IN CANADA

C-I-L
NYLON
PAT 40-42-43

full-fashioned
HOSIERY



Belding-Corticelli
Limited

Head Office
MONTREAL, P.Q.



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



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