

# Thirty-Fifth Annual Report

*For Year Ended  
November 30th  
1 9 4 6*

*Belding-Corticelli  
Limited*

PURVIS HALL  
LIBRARIES

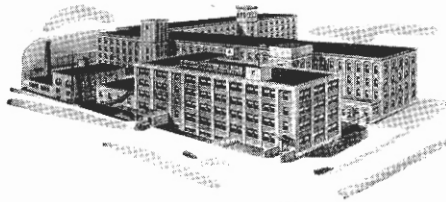
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McGILL UNIVERSITY

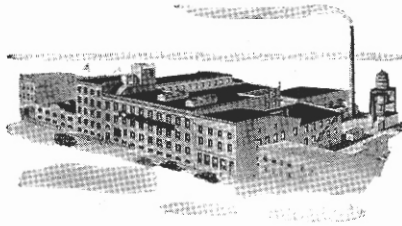


# *Belding-Corticelli* *Limited*

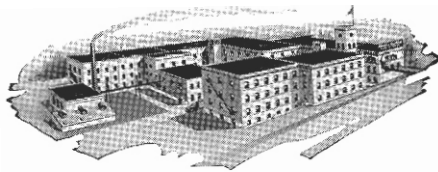
Head Office and Mills



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

*General Manager*  
W. G. HICKS

*Treasurer*  
L. B. RAMSEY

*Secretary*  
D. F. POLLOCK



# *Belding-Corticelli* *Limited*

## THIRTY-FIFTH 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 5th, 1947, at 12 o'clock noon.*

Your Directors present herewith the Thirty-fifth Annual Report of the operations of your Company for the fiscal year ended November 30th, 1946, 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 \$127,248.43, after providing for full Depreciation, Executive remuneration, Income and Excess Profits taxes, etc., and an amount of \$75,000. for Plant improvement.

DIVIDENDS—An extra 2% Common stock dividend amounting to \$14,990.00 was paid out of the profits of the year 1945. During the year dividends on the Preferred and Common stocks totalled \$101,793.50. On July 1st, the quarterly dividend on the Common stock was increased from 1% to 1½%.

PROPERTIES—While deliveries of machinery and equipment were slow, your Directors are pleased to report that the Company received and put into operation a number of new and improved machines.

An additional property was purchased in Coaticook where a number of new looms are operating.

RE RETIREMENT PLAN—Your Directors have for some time given consideration to a retirement plan for all employees, especially those who have given many years of service to the Company. A plan has been approved, effective November 30th, 1946, the entire cost of past service benefits will be borne by your Company, which it is estimated will amount to slightly less than \$400,000. The cost of all future service benefits will be borne jointly by the Employees and the Company.

RENEGOTIATION OF WAR CONTRACTS has been completed to November 30th, 1944, and the necessary adjustments made in your Company's accounts.

EMPLOYEES—Your Directors wish to avail themselves of this opportunity to express their appreciation of the excellent service rendered by the workers and staff of the Company during the year.

Respectfully submitted on behalf of the Board,

W. P. MACDOUGALL,  
President.

# *Belding-Corticelli* Limited

BALANCE SHEET AS AT 30TH NOVEMBER, 1946

ASSETS	
<u>CURRENT ASSETS</u>	
Cash on hand and in Bank . . . . .	\$ 75,848.31
Investments—Government Bonds, etc., at book value plus accrued interest (Approximate Market Value \$443,882.00) . . . . .	427,997.70
Accounts and Bills Receivable, less Reserve for Doubtful Accounts . . . . .	578,951.77
Balance of Employees' Subscriptions to 9th Victory Loan, secured . . . . .	924.01
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) . . . . .	905,740.96
<i>Total Current Assets</i> . . . . .	<i>\$1,989,462.75</i>
<u>GOODWILL AND TRADE MARKS</u> . . . . .	1.00
<u>PROPERTY ACCOUNTS</u>	
Real Estate, Plant, Machinery, Equipment and Office Furniture, as at 30th November, 1945 . . . . .	\$3,273,458.56
Additions during the year—Net . . . . .	203,016.18
	\$3,476,474.74
Reserve for Depreciation . . . . .	2,452,004.58
	1,024,470.16
<u>DEFERRED CHARGES</u>	
Insurance, Taxes, etc. . . . .	\$ 10,969.85
Balance Coaticook Power Contract . . . . .	67,500.00
	78,469.85
<u>REFUNDABLE PORTION OF EXCESS PROFITS TAX</u> . . . . .	120,784.14
	\$3,213,187.90

LIABILITIES	
<u>CURRENT LIABILITIES</u>	
Accounts Payable . . . . .	\$ 258,470.44
Sales Taxes, Payroll Tax Deductions, etc. . . . .	28,350.52
Reserve for Government Taxes, subject to final determination by taxing authorities after prepayment of \$125,000.00 . . . . .	72,453.60
Accrued Charges . . . . .	42,772.98
Dividend on Preferred Stock, payable 2nd January, 1947 . . . . .	\$ 15,142.75
Dividend on Common Stock, payable 2nd January, 1947 . . . . .	11,242.50
	26,385.25
<i>Total Current Liabilities</i> . . . . .	<i>\$ 428,432.79</i>
<u>RESERVES</u>	
Employees' Benefit Reserve . . . . .	\$ 183,086.85
Contingent Reserves . . . . .	49,169.37
Advertising Reserve . . . . .	10,000.00
Plant Improvement Reserve . . . . .	75,000.00
	317,256.22
<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 . . . . .	657,914.75
<u>DEFERRED SURPLUS</u>	
Refundable Portion of Excess Profits Tax . . . . .	120,784.14
	\$3,213,187.90

MONTREAL, 11TH JANUARY, 1947.

Verified subject to our report of this date.

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

W. P. MACDOUGALL, Director.  
R. C. VAUGHAN, Director.

# *Belding-Corticelli* *Limited*

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30TH NOVEMBER, 1946

### PROFITS

For the year ended 30th November, 1946, after deducting all Manufacturing, Selling and Administration Expenses, but before providing for Depreciation, etc.....	\$ 645,945.91
Income from Investments.....	15,557.26
Profit from Sale of Investments, etc.....	10,426.72
	\$ 671,929.89

### DEDUCT:

Provision for Depreciation.....	\$ 175,463.80
Provision for Income and Excess Profits Taxes, including Refundable Portion.....	187,572.21
Directors' Remuneration.....	7,260.00
Executive Remuneration.....	59,936.35
Legal Fees.....	648.10
Pension Fund Payment.....	38,801.00
Plant Improvement Reserve.....	75,000.00
	544,681.46
<i>Net Profit transferred to Earned Surplus.....</i>	<i>\$ 127,248.43</i>

## EARNED SURPLUS

Balance at credit 30th November, 1945.....	\$ 725,051.82
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### DEDUCT:

2% Extra Common Dividend for 1945 paid 1st March, 1946.....	\$ 14,990.00
Pension Fund Payment.....	77,602.00
	92,592.00
	\$ 632,459.82

Net Profit for the year ended 30th November, 1946.....	\$ 127,248.43
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### DEDUCT:

7% Dividend on Preferred Stock for the year ended 30th No- vember, 1946.....	\$60,571.00
Dividends on Common Stock for the year ended 30 Novem- ber, 1946.....	41,222.50
	101,793.50
	25,454.93
<i>Balance as per Balance Sheet.....</i>	<i>\$ 657,914.75</i>

RIDDELL, STEAD, GRAHAM & HUTCHISON

*Chartered Accountants*

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

11th January, 1947.

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, 1946, 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 1944 has been completed; any adjustment for 1945 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, 1946, 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.*

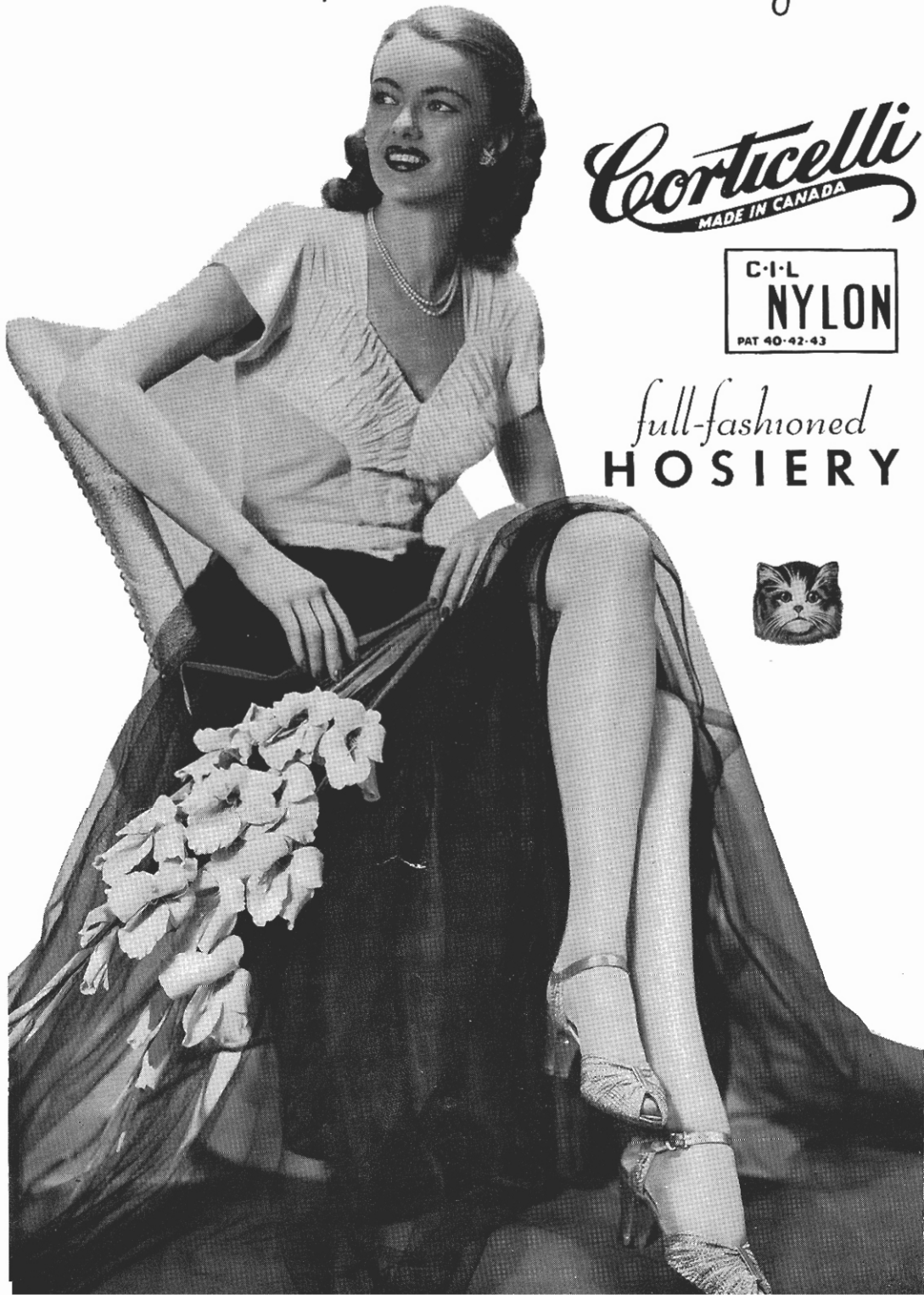


"Choice of the Discriminating"

*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.