



# Thirty-Seventh Annual Report

*For Year Ended  
November 30th*

1 9 4 8

*Belding-Corticelli*  
*Limited*

PURVIS HALL  
ARIES

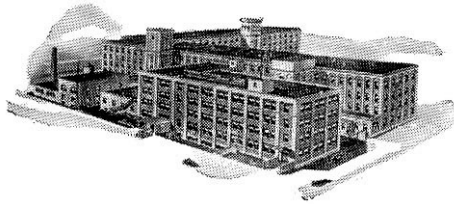
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McGILL UNIVERSITY

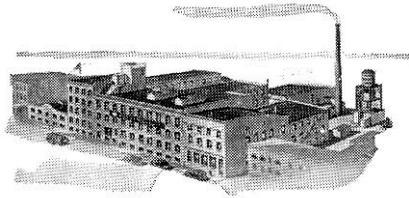


# *Belding-Corticelli* Limited

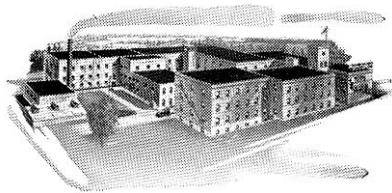
*Head Office and Mills*



MONTREAL, QUE.



ST. JOHNS, QUE.



COATICOOK, QUE.

*Board of  
Directors*

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*President*  
W. P. MACDOUGALL

*Directms*  
J. M. MACKIE  
R. C. VAUGHAN  
P. F. SISE  
A. S. BRUNEAU, K.C.  
J. D. JOHNSON  
C. E. GRAVEL  
W. G. HICKS

*Officers*

- 
- 

*President and Managing Director*  
W. P. MACDOUGALL

*Vice-President*  
J. M. MACKIE

*General Manager*  
W. G. HICKS

*Secretary*  
D. F. POLLOCK

*Treasurer*  
L. B. RAMSEY



# *Belding-Corticelli* Limited

## THIRTY-SEVENTH 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 Monday, February 21st, 1949, at 12 o'clock noon.

Your Directors take pleasure in presenting the Thirty-seventh Annual Report and Financial Statements together with the certified Auditors' report, covering the operations of your Company, for the fiscal year ended November 30th, 1948.

SALES were much greater than in any previous year in your Company's history, showing 22% increase over the record sales of 1947.

NET PROFIT for the year was \$186,563.29 after providing for full Depreciation, Income and Excess profits taxes, Pension Fund, etc., and also a further amount of \$100,000.00 to Inventory reserve to help provide against a decline in values, the normal risk having been increased through high inventories. There was also set aside an amount of \$175,000.00 to help provide for the difference between present cost of replacement of equipment and machinery and the depreciation earned.

DIVIDENDS—Declared during the year on the Preferred and Common stocks amounted to \$113,036.00.

PROPERTIES—The policy of your Directors of providing so far as possible the most efficient equipment and machinery for your plants resulted in an expenditure of \$294,755.81 for this purpose during the year. The constant development and improvement in equipment will make it necessary for continued expenditures in this connection.

COMPANY BY-LAWS—These with few exceptions have not been changed since the Company's incorporation in 1911, and do not in all respects conform with the Companies Act and also were not sufficiently flexible to take care of the necessary changes occurring in the normal growth of the Company. A revision was accordingly deemed advisable which was passed by your Directors on January 10th, 1949, and will be submitted for your approval at a Special General Meeting to be held on Monday, February 21st 1949, prior to the Annual General Meeting of Shareholders.

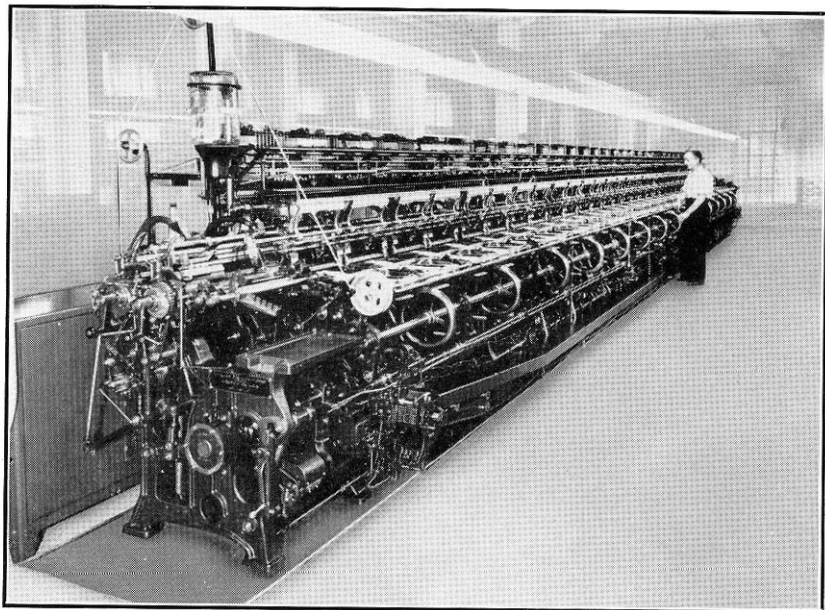
EMPLOYEE RELATIONS—We are pleased to report that collective labor agreements were renewed for one year with the employees of St. Johns and Coaticook Mills, and that happy relations have been maintained with the employees of all plants.

Your Directors wish to record their appreciation of the loyal and faithful service rendered by the entire staff during the year.

Respectfully submitted on behalf of the Board,

W. P. MACDOUGALL,  
President.

# *Belding-Corticelli* *Limited*



High speed 31-gauge full-fashioned Hosiery Knitting Machine

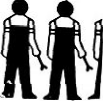


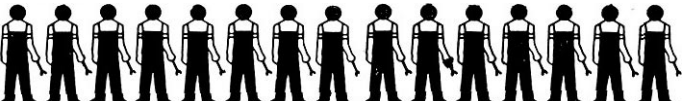
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If a business is to continue, it is necessary to recover the purchasing power of sums originally invested in machinery so that they may be replaced as they wear out. It is a simple truth that to buy similar equipment takes many more dollars today than formerly, therefore, additional amounts must be provided to partially cover the present high cost of replacement.



# Belding-Corticelli *Limited*

## YEARS OF SERVICE OF EMPLOYEES

25 YEARS and over		113 EMPLOYEES
15 TO 24 YEARS		101 EMPLOYEES
5 TO 14 YEARS		260 EMPLOYEES
UNDER 5 YEARS		745 EMPLOYEES

Each figure represents **50** Employees. Over **50%** of the Employees are female.

### BEYOND THE PAY ENVELOPE

In the year 1948, your Company disbursed to employees, above their wages and salaries, an amount of **\$184,821.58**, as classified below:—

Medical Services, etc.. . . . .	\$ 8,812.42
Paid Vacations, Statutory Holidays . . . . .	66,492.16
Pension Plan and Group Life Insurance.. . . .	80,621.00
Unemployment Insurance and Workmen's Compensation. . . . .	28,896.00
	<hr/>
	<b>\$184,821.58</b>

For every dollar received by the average employee in the form of wages and salaries, he or she also received an additional **9½** cents in benefits.



# *Belding-Corticelli* *Limited*

## BALANCE SHEET AS AT 30<sup>TH</sup> NOVEMBER, 1948

<u>ASSETS</u>		<u>LIABILITIES</u>	
<u>CURRENT ASSETS</u>			
Cash on hand and in bank.....	\$ 252,566.26	Accounts Payable.....	\$ 274,784.51
Investments—Government Bonds, etc. at book value plus accrued interest (Approximate Market Value \$110,289.00)	109,978.67	Sales Taxes, Payroll Tax Deductions, etc.....	43,732.61
Accounts and Bills Receivable, less reserve for doubtful accounts.....	872,645.36	Reserve for Government Taxes, subject to final determination by taxing authorities after prepayment of \$134,482.00....	171,884.67
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.....	1,047,613.06	Due to Pension Fund.....	3,151.67
		Accrued Charges—Commissions, Wages, etc.....	88,076.70
		Dividend on Preferred Stock, payable 3rd January, 1949.....	\$ 15,142.75
		Dividend on Common Stock payable 3rd January, 1949.....	18,737.50
Total Current Assets.....	\$2,282,803.35	Total Current Liabilities.....	\$ 615,510.41
		<u>BALANCE DUE TO PENSION FUND—PAST SERVICE</u>	<u>168,581.22</u>
<u>GOODWILL AND TRADE MARKS</u> .....	1.00	<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 1947.....	\$3,680,584.78	Contingent Reserves.....	49,101.63
Additions during year—Net.....	294,755.81	Advertising Reserve.....	10,000.00
	\$3,975,340.59	Plant Improvement Reserve.....	75,000.00
Reserve for Depreciation.....	2,872,407.24	Special Depreciation Reserve to cover replacement cost.....	98,964.42
	1,102,933.35		416,152.90
<u>DEFERRED CHARGES</u>		<u>CAPITAL STOCK</u>	
Insurance, Taxes, etc.....	\$ 12,879.91	7% Cumulative Preferred Shares of \$100.00 each:	
Balance Coaticook Power Contract.....	63,000.00	Authorized—16,500 Shares.....	\$1,650,000.00
	75,879.91	Issued — 8,653 Shares.....	\$ 865,300.00
<u>REFUNDABLE PORTION OF EXCESS PROFITS TAX</u>	82,931.24	Common Shares of \$100.00 each:	
	\$3,544,548.85	Authorized— 8,500 Shares.....	850,000.00
		Issued — 7,495 Shares.....	749,500.00
			\$2,500,000.00
		<u>CAPITAL SURPLUS</u> .....	74,000.00
		<u>EARNED SURPLUS</u>	
		Balance as per statement attached.....	572,573.08
		<u>DEFERRED SURPLUS</u>	
		Refundable portion of Excess Profits Tax... ..	82,931.24
			\$3,544,548.85

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

MONTREAL, 17<sup>TH</sup> JANUARY, 1949

Submitted with 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, 1948

### PROFITS

For the year ended 30th November, 1948, after deducting all Manufacturing, Selling and Administration Expenses, but before providing for Depreciation, etc. . . . .	\$1,059,254.67
Income from Investments. . . . .	2,440.42
Profit from Sale of Investments, etc. . . . .	3,215.99
	1,064,911.08

### DEDUCT:

Provision for Depreciation. . . . .	\$ 239,298.61	
Provision for Income and Excess Profits Taxes	213,236.81	
Provision for Provincial Income Taxes. . . . .	48,297.31	
Pension Fund Contribution. . . . .	25,267.42	
Directors' Remuneration. . . . .	7,540.00	
Executive Remuneration. . . . .	68,929.16	
Legal Fees. . . . .	778.48	
Inventory Reduction Reserve. . . . .	100,000.00	
Special Depreciation Reserve to cover re- placement cost. . . . .	175,000.00	878,347.79
<i>Net Profit</i> transferred to Earned Surplus. . . . .		\$ 186,563.29

### EARNED SURPLUS

Balance at Credit, 30th November, 1947. . . . .	\$ 490,502.34
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### ADD:

Balance of Special Inventory Reserve— Excess Profits Tax Act, Net. . . . .	8,543.45
	499,045.79
Net Profit for the year ended 30th November, 1948. . . . .	\$186,563.29
	685,609.08

### DEDUCT:

Dividends for the year ended 30th November, 1948		
on Preferred Stock. . . . .	\$ 60,571.00	
on Common Stock. . . . .	52,465.00	113,036.00
Balance, as per Balance Sheet. . . . .		\$ 572,573.08

RIDDELL, STEAD, GRAHAM & HUTCHISON

Chartered Accountants

460 ST. JOHN STREET  
P.O. BOX 2398 PLACE D'ARMES  
MONTREAL. 1

17th January, 1949

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

We have examined the books and accounts of ~~Belding-Corticelli~~ Limited for the year ended 30th November, 1948, 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.

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, 1948, 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.

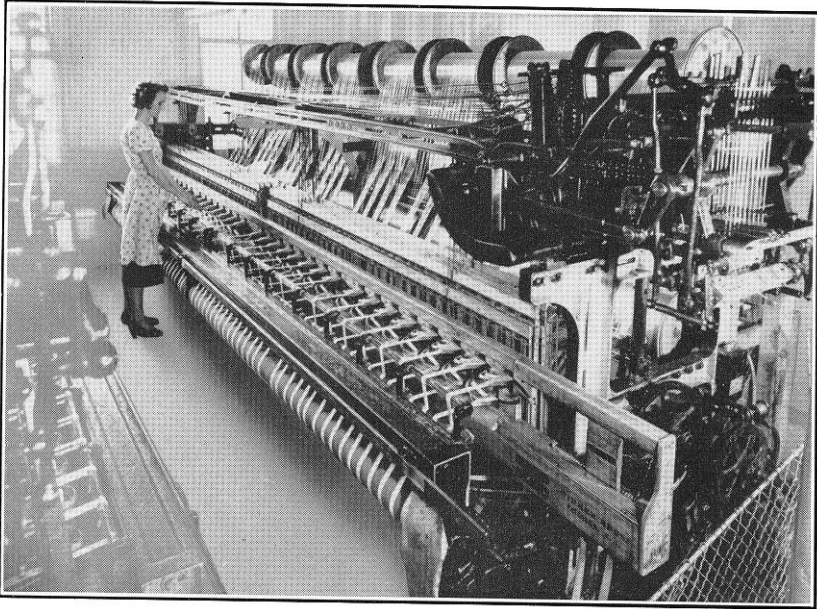
# *Belding-Corticelli* Limited

## QUARTER CENTURY CLUB

	Years of Service		Years of Service		Years of Service
Alpaugh, R.	32	Groves, S. J.	34	Mailloux, Miss D.	39
Alexander, J.	29	Goyette, A.	33	Martel, A.	30
Archambault, Miss V	28	Gratton, Miss A.	32	McCrea, Miss L.	30
Andrews, Miss C. D.	28	Gibbs, B. L.	31	Monette, A.	30
Archambault, Miss H	27	Griffiths, E. A.	29	*Meunier, Mrs. N. E.	30
		Ganley, Miss E.	29	Morency, A.	29
Buck, W. J.	44	Goyette, Miss B.	28	Monette, A. F.	29
Boyer, Miss Eva	44	Goyette, R.	27	Masse, A.	28
Brown, M. A.	43	Gaudreau, J. E.	27	Miller, Miss L. E.	28
Biggar, W. T.	39			Menard, E.	27
Bouchard, A.	33	*Hill, C. F.	52		
Battersby, J. F.	33	Hummel, A. T.	43	O'Leary, Miss M.	39
Brown, Miss B	31	Hebert, L. N.	38	O'Reilly, Miss M.	29
*Bouchard, E.	29	Hebert, Miss M.	36		
Bisson, J. B.	28	Huard, Miss D.	35	Plouffe, J. G.	42
Baskerville, L. A.	26	Hicks, W. G.	32	Philip, A. M.	32
		Hebert, Miss D.	31	*Poutre, Miss G.	31
*Chaput, A.	56	Huard, R. J.	31	Peledau, L.	30
Clark, C. H.	48	Hebert, Miss J.	28	Pariseau, H.	29
Collett, A. C.	44	Hebert, (St. Johns)	28	Pollack, D. F.	29
*Cadieux, H.	44	Miss J.	28		
Cooke, G. Ed.	42	Halde, Miss A.	27	Reynolds, G. Z.	54
Cholette, Alf.	35			Richer, Miss M.	29
Clark, Miss Etta	33	Ingram, J. R.	28	Richardson, D. C. W.	28
Cutler, D. J.	29			Reynolds, H. A.	28
Cunningham, T. R.	27	James, W	27	Rice, A.	27
Casavant, D. A.	27				
Cholette, Paul	26	*Kennedy, J. P.	61	St. Arnaud, M.	50
Chagnon, Mrs. L.	26	*Kennedy, E. F.	56	*Simmons, C. A.	43
Charbonneau, Miss F.	26	Kayser, R. H.	44	Ste. Marie, L.	42
		Kelly, R.	32	Smith, Jason	30
*Davis, Geo. R.	54			Staines, Miss F.	29
Darling, D. D.	37	L'Heureux, Miss R. C.	48	St. Denis, Miss B.	28
Deeley, A. R.	37	Lecours, J. E.	39	Souchereau, Miss I.	27
Decoteau, Miss Rose	31	Lozier, A.	38	St. Arnaud, L.	27
Dugas, A.	31	Lefebvre, Miss G.	35		
Duval, A.	26	Larivee, R.	33	Thivierge, W.	31
Dobson, Miss V.	26	Lacroix, M.	30	Trolley, F. C.	31
Duclos, C. F.	26	LeSeigneur, C.	29		
		Lussier, H.	28	Valade, A.	29
Eastman, Miss G	41	Lafaille, Miss F.	26	Vadnais, H.	26
Fox, W. H.	47	MacDougall, W. P.	52	Walley, C. J.	33
*Fournier, Mrs. Ida	42	*McDermott, Miss S	48	Willoughby, Miss M. E.	32
		Maguire, Miss A.	44	Woodard, R. A.	29
Goyette, S.	48	*Messier, L. J. O.	44	Wood, Miss B.	28
Gaudreau, Miss M. R.	37	Monette, H.	40		

\*Retired

# *Belding-Corticelli* Limited



Weaving Relding's ribbon on high speed Loom

## HOW EACH 1948 SALES DOLLAR WAS SPENT

46.5	Cents for Raw Materials, Supplies, etc
28.8	“ “ Wages and Salaries
9.5	“ “ Taxes
4.6	“ “ Power, Light, Heat, etc.
3.6	“ “ Depreciation (wear and tear on Machinery, Equipment, etc.)
2.7	“ “ Special Depreciation to partially cover today's replacement cost
2.6	“ “ Re-invested in the business for improvements to Machinery, Plant, etc.
<hr/> 98.3	
1.7	“ “ Dividends paid to Owners of the business
<hr/> 100	

# ***Beldings***



*Corticelli*  
MADE IN CANADA

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.