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ANNUAL REPORT
FOREIGN POWER SECURITIES
CORPORATION, LIMITED

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FOR THE
YEAR ENDING OCTOBER 31ST
1930

Foreign Power Securities Corporation, Limited



Annual Report

For the Year Ending October 31st, 1930



OFFICERS

President

A. J. NESBITT, Montreal

Vice-President

JAS. B. WOODYATT, Montreal

Directors

A. J. NESBITT.....	Montreal
L. C. HASKELL.....	Montreal
E. R. PARKINS, K.C.....	Montreal
P. A. THOMSON.....	Montreal
GUY M. TODD.....	Montreal
JOS. VERSAILLES.....	Montreal
JAS. B. WOODYATT.....	Montreal

Secretary

L. C. HASKELL

Treasurer

CHAS. JOHNSTONE

Assistant-Treasurer

T. IRVING

Assistant-Secretary

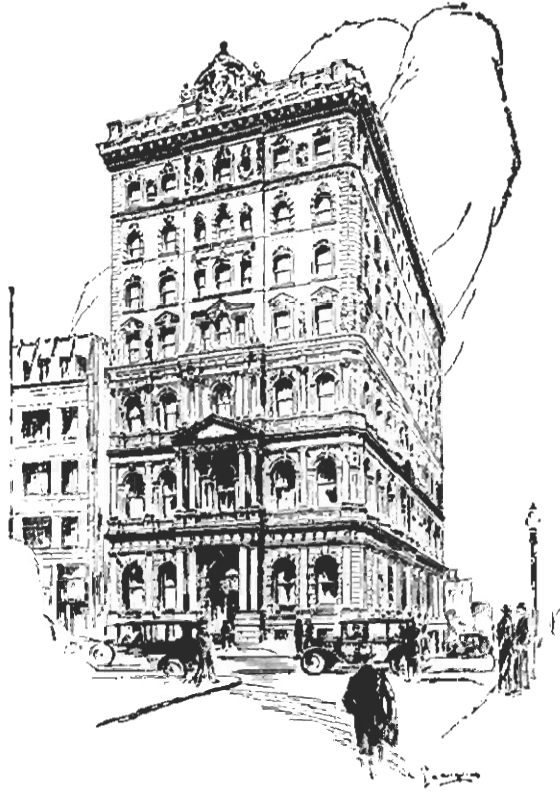
V. J. NIXON

Fiscal Agents

NESBITT, THOMSON & COMPANY, LIMITED

Auditors

PRICE, WATERHOUSE & COMPANY



Head Office:

FOREIGN POWER SECURITIES CORPORATION, LIMITED

and its Fiscal Agents

NESBITT, THOMSON & COMPANY, LIMITED

355 St. James Street West

MONTREAL

FOREIGN POWER SECURITIES CORPORATION, LIMITED

355 ST. JAMES STREET WEST

MONTREAL.

February 10th, 1931.

To the Shareholders:

In reviewing the operations of the past fiscal year, it is evident that France has enjoyed, in comparison with other European countries, a year of satisfactory business activity. The world-wide commercial and industrial difficulties became more pronounced during the latter part of the year, but industrial production maintained approximately the 1929 average and the manufacturers of electrical equipment have been running at capacity.

Ever-increasing interest is centred in France as she continues in her march toward the goal of complete rural as well as urban electrification. The water power resources of the country are placed at some 10,000,000 horse power, of which 3,000,000 horse power has been developed. In 1926 electricity was available in forty-six per cent. of the communes, and at present over eighty per cent. of the communes benefit from this rural electrification scheme. Industry and agriculture are inseparably related and the rural electrification has changed these communities in the provinces to commercial and agricultural centres, thus presenting limitless possibilities for industrial expansion.

The large public utility companies in which your Corporation is financially interested, such as Energie Industrielle with more than 36 subsidiaries, Energie Electrique Rhone & Jura with 8 subsidiaries, Société Générale de Force et Lumière with 10 subsidiaries, L'Union Electrique Rurale with distribution systems in 19 regions, Société Provinciale de Distribution d'Energie and Compagnie d'Electricité Industrielle continue to expand and presently serve over 875,000 customers in cities, towns and communities having over 5,000,000 population. The production and sale of electricity and gas has increased steadily throughout the year, compared with the preceding year, and the earnings have maintained a corresponding increase.

You will note from the financial statement contained herein that the revenue from your Company's investments increased during the past year. For the coming fiscal year the revenue from investments may be decreased due to some high interest rate bonds and loans having been retired and the money having to be reinvested at lower rates. Many of the shares in your Company's portfolio which are listed on the Paris Bourse have suffered in market value. This condition has brought about the reduction in profits from investments realized, as shown in the attached statement, as compared with previous years. The market value of your Company's investments is in excess of their book value.

Your Directors feel that while the present economic position, which has affected practically every trade and industry, may require a period of readjustment, an optimistic outlook in regard to the future of the electrical industry throughout France is well founded.

Respectfully submitted on behalf of the Board,

A handwritten signature in dark ink, appearing to be "A. J. Nesbitt", written over a horizontal line.

President

FOREIGN POWER SECURITIES CORPORATION, LIMITED

Balance Sheet as at October 31st, 1930

ASSETS		1930	1929			1930	1929
Investments at Cost*		\$11,598,342.12	\$11,385,948.60		To THE PUBLIC:		
Cash and Call Loans		1,280,367.99	2,374,469.85		First Collateral Trust 6% Convertible Gold Bonds, Series "A" Authorized \$50,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
Bills Receivable due January 31st, 1931		166,271.90			Bills Payable		747,024.00
Accrued Interest		78,753.31	94,744.12		Bond Interest Accrued	125,000.00	125,000.00
Prepaid Accounts		2,809.40	11,916.50		Preferred Dividend, payable Nov. 15th, 1930	75,000.00	75,000.00
Discount on Bonds		292,500.00	308,750.00		Accounts payable	1,400.06	5,370.05
					Provision on account of Income Tax	50,000.00	
						\$ 5,251,400.06	\$ 5,952,394.05
					To THE SHAREHOLDERS:		
					Preferred Stock:*		
					Authorized—50,000 Shares \$100. each.		
					Issued —50,000 Shares \$100 each	\$ 5,000,000.00	\$ 5,000,000.00
					Common Stock: (of No Par Value)		
					Authorized	250,000 shares	
					Less: Held for exchange of Stock		
					Warrants and conversion of Bonds	125,000 shares	
					Outstanding:	125,000 shares	
					Representing equity in Capital & Surplus	3,167,644.66	3,223,435.02
		<u>\$13,419,044.72</u>	<u>\$14,175,829.07</u>			<u>\$13,419,044.72</u>	<u>\$14,175,829.07</u>

*On the basis of quoted market prices, and including certain unquoted foreign securities at cost, the value of the Corporation's investments at October 31st, 1930, was \$11,913,019.50.

Approved on behalf of the Board: A. J. NESBITT
JAS. B. WOODYATT } Directors.

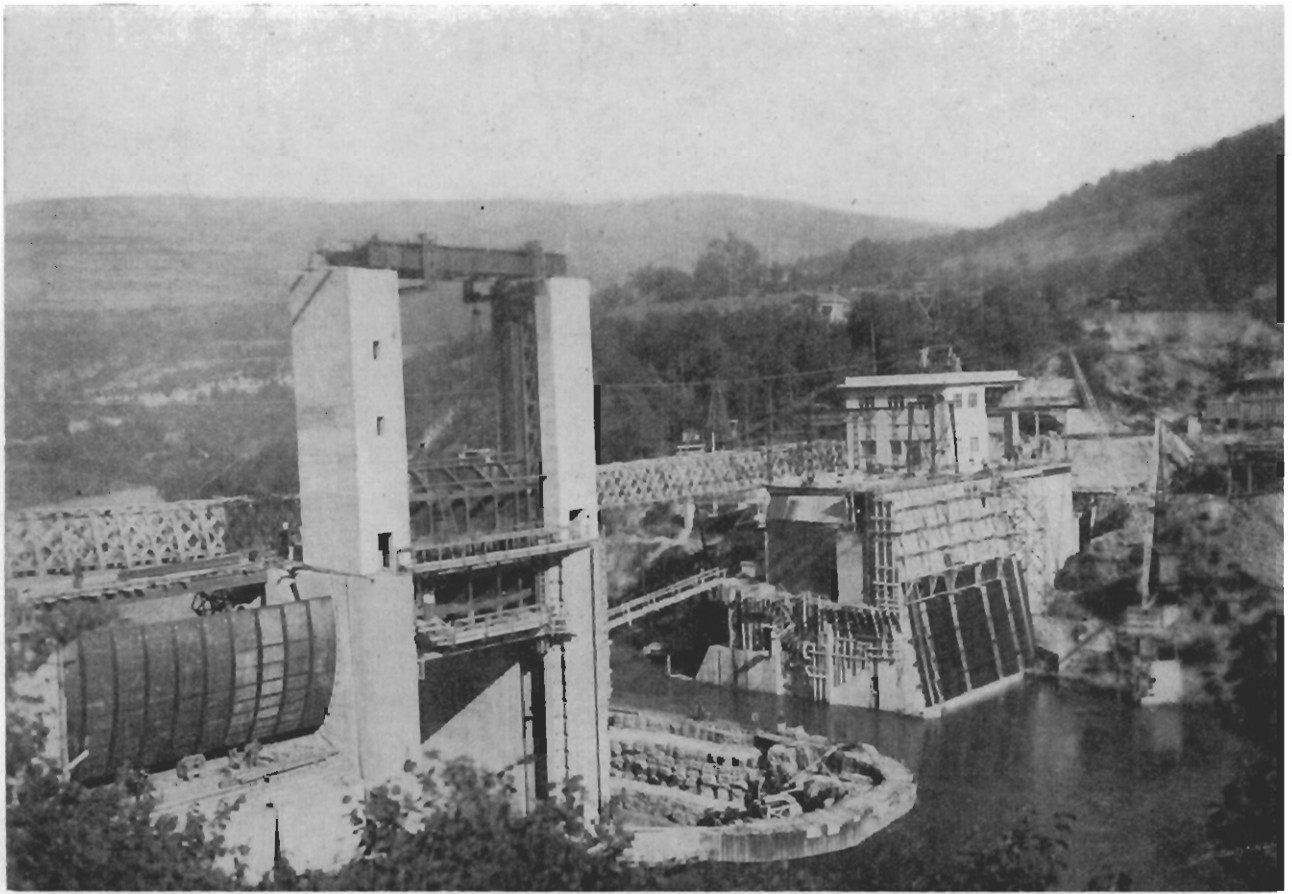
*(Redeemable in whole or in part at \$105 per share on any dividend date after 30 days notice.)

AUDITORS' REPORT TO THE SHAREHOLDERS:

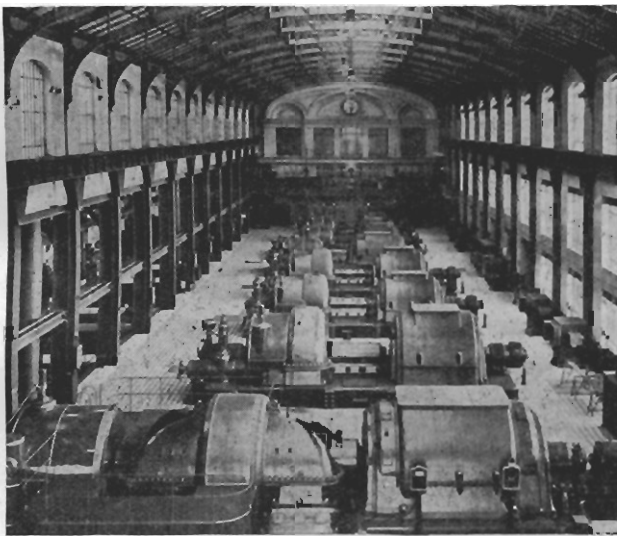
We have examined the books and accounts of Foreign Power Securities Corporation, Limited, for the year ending October 31st, 1930, and have received all the information and explanations we have required. We have verified the securities by inspection or by certificates from the depositaries, and we certify that the above Balance Sheet at October 31st, 1930, in our opinion, shows the true financial position of Foreign Power Securities Corporation, Limited, at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.

MONTREAL, January 12th, 1931.

(Signed) PRICE, WATERHOUSE & Co.,
Auditors.



Cize Bolozon Hydro-Electric development of l'Energie Electrique Rhone et Jura, near Lyon, France, one of the Companies in which Foreign Power Securities Corporation, Limited, has a substantial interest.



*Interior, La Mouche Generating Station (Lyon).
Gaz de Lyon (Energie Industrielle).*

*General view of plant at Porte du Fier.
Hydro-Electrique de Lyon, (Energie Industrielle).*



Foreign Power Securities Corporation, Limited



Statement of Earnings



	18 Months Ending Oct. 31st, 1928	12 Months Ending Oct. 31st, 1929	12 Months Ending Oct. 31st, 1930
Revenue	\$341,039.70	\$520,092.80	\$556,788.42
Profits from Investments realized	122,820.77	416,887.24	241,299.89
Gross Earnings	<u>\$463,860.47</u>	<u>\$936,980.04</u>	<u>\$798,088.31</u>
Expenses	15,745.76	42,532.60	58,530.62
Taxes	4,723.70	2,832.64	4,098.05
	<u>\$20,469.46</u>	<u>\$45,365.24</u>	<u>\$62,628.67</u>
Net Earnings	443,391.01	891,614.80	735,459.64
Interest	9,073.48	134,950.02	300,000.00
Surplus for Year	434,317.53	756,664.78	435,459.64
Surplus Brought Forward		147,537.89	563,435.02
	<u>\$434,317.53</u>	<u>\$904,202.67</u>	<u>\$998,894.66</u>
Dividends on Preferred Stock	286,779.64	300,000.00	300,000.00
Dividend on Common Stock			125,000.00
Discount on Bonds		16,250.00	16,250.00
Organization Expenses		24,517.65	
Provision on account of Income Tax			50,000.00
Surplus Carried Forward	<u>\$147,537.89</u>	<u>\$563,435.02</u>	<u>\$507,644.66</u>

FOREIGN POWER SECURITIES CORPORATION, LIMITED

Balance Sheet as at October 31st, 1930

ASSETS	1930	1929	LIABILITIES	1930	1929
Investments at Cost*	\$11,598,342.12	\$11,385,948.60	TO THE PUBLIC:		
Cash and Call Loans	1,280,367.99	2,374,469.85	First Collateral Trust 6% Convertible Gold Bonds, Series "A" Authorized \$50,000,000.00	\$ 5,000,000.00	\$ 5,000,000.00
Bills Receivable due January 31st, 1931	166,271.90		Bills Payable		747,024.00
Accrued Interest	78,753.31	91,744.12	Bond Interest Accrued	125,000.00	125,000.00
Prepaid Accounts	2,809.40	11,916.50	Preferred Dividend, payable Nov. 15th, 1930	75,000.00	75,000.00
Discount on Bonds	292,500.00	308,750.00	Accounts payable	1,400.06	5,370.05
			Provision on account of Income Tax	50,000.00	
				\$ 5,251,400.06	\$ 5,952,394.05
			TO THE SHAREHOLDERS:		
			Preferred Stock:*		
			Authorized—50,000 Shares \$100. each		
			Issued —50,000 Shares \$100 each	\$ 5,000,000.00	\$ 5,000,000.00
			Common Stock: (of No Par Value)		
			Authorized	250,000 shares	
			Less: Held for exchange of Stock		
			Warrants and conversion of Bonds	125,000 shares	
			Outstanding:	125,000 shares	
			Representing equity in Capital & Surplus	\$ 1,167,644.66	\$ 2,223,435.02
				\$13,419,044.72	\$14,175,829.07

*On the basis of quoted market prices, and including certain unquoted foreign securities at cost, the value of the Corporation's investments at October 31st, 1930, was \$11,913,019.50.

Approved on behalf of the Board: A. J. NESBITT
 JAS. B. WOODYATT } Directors.

*(Redeemable in whole or in part at \$105 per share on any dividend date after 30 days notice)

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the books and accounts of Foreign Power Securities Corporation, Limited, for the year ending October 31st, 1930, and have received all the information and explanations we have required. We have verified the securities by inspection or by certificates from the depositaries, and we certify that the above Balance Sheet at October 31st, 1930, in our opinion, shows the true financial position of Foreign Power Securities Corporation, Limited, at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Corporation.

(Signed) PRICE, WATERHOUSE & Co.,

MONTREAL, January 12th, 1931.

Auditors.

Foreign Power Securities Corporation, Limited

Revenue Account

For the Year Ending October 31st, 1930

Dividends and Interest from Investments		\$556,788.42
Profit from Investments Realized		241,299.89
Interest	\$300,000.00	
Expenses	62,628.67	
Balance	435,459.64	
	<u>\$798,088.31</u>	<u>\$798,088.31</u>

Profit and Loss Account

For the Year Ending October 31st, 1930

Balance at Credit October 31st, 1929		\$563,435.02
Earnings for year ending October 31st, 1930		435,459.64
Discount on Bonds	\$16,250.00	
Dividends on Preferred Stock	300,000.00	
Dividends on Common Stock	125,000.00	
Provision on account of Income Tax	50,000.00	
Balance at Credit October 31st, 1930	507,644.66	
	<u>\$998,894.66</u>	<u>\$998,894.66</u>

Foreign Power Securities Corporation, Limited



THE CORPORATION

Foreign Power Securities Corporation Limited was incorporated on March 1st, 1927, under the Companies Act Dominion of Canada, and is primarily interested in the acquisition of securities of hydro-electric and public utility companies operating in foreign countries. Since organization the Corporation has acquired a substantial interest in the securities of the following electric light and power companies operating in the Republic of France and the French Colony of Madagascar.

Energie Industrielle
Forces Motrices de la Loue
Gaz de Lyon
Hydroélectrique du Sud Est
Hydroélectrique des Basses Pyrénées
Union Armoricaïne
Electricité et Eaux de Madagascar
Energie Electrique Rhône et Jura

Forces Motrices du Jura et des Alpes
Hydroélectrique du Verdon
Hydroélectrique de l'Ain Inférieur
Société Provinciale de Distribution
d'Energie
Société Générale de Force et Lumière
Cie d'Electricité Industrielle
Union Electrique Rurale.

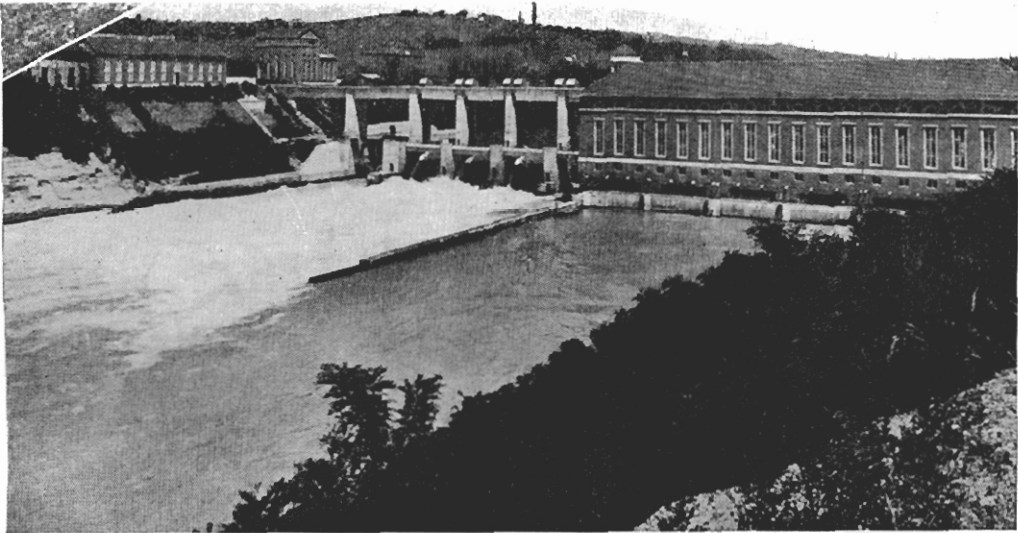
Through its investment in the securities of the foregoing companies the corporation is indirectly interested in the following:—

Sté Hydroélectrique de Lyon
Electricité de la Sore
Cie Electrique de Franche Comté
La Bressanne Electrique
Cie Générale d'Ounana
Sté des Forces Electriques de la Seine
Sté du Moulin des Malades
Sté Electrique de Dôle
Cie Electrique de la Vingeanne
Cie Bourguignonne et Franc-Comtoise.
Sté Electrique de la Haute-Loue
Sté Electrique des Anciens Moulins de Gray
Sté Electrique de Mont d'Or
Sté des Forces Motrices du Refrain
Electrique de Bretagne
Cie Haut-Marnaise d'Electricité
Sté Dauphinoise d'Eclairage Electrique
La Régionale Electrique
Sté Loire et Rhône
Sté Centre-Bretagne
Sté d'Entreprises et d'Installations Elec-
triques
Sté de Distribution d'Energie de la Vallée
de l'Ardière
Sté des Forces Motrices de Brive
Sté d'Electricité de Nontron
Sté de Belmont

Sté du Gaz et d'Electricité de Nogent le
Rotrou,
Différentes Stés du Littoral Méditerranéen
Lumière et Energie
Cie d'Electricité de Brest
Union Electrique du Finistère
Forces Motrices de Chancy Pougny
Cie Bourguignonne de Transport d'Energie
Sté des Forces Motrices du Centre
Cie Lyonnaise d'Electricité
Sté Civile d'Etudes des Forces Motrices
Dauphinoises
Sté Foncière et Industrielle du Rhône
Sté Hydroélectrique de l'Eau d'Olle
Sté du Grand Doron
Sté Hydroélectrique Isère-Vercors
Sté Hydroélectrique Basse Romanche
Sté Hydroélectrique des Dranses
Sté An. d'Electricité du Bugey
Cie Savoissienne d'Electricité
Sté Electrique de Chamonix
Sté Force et Lumière du Canton de Boège
Cie Nouvelle d'Eclairage et de Chauffage
par le gaz et l'électricité (Bordeaux)
Sté Anonyme des Et. Ch. Grimal et Cie
(Tarbes)
Sté Electro industrielle de la Dronne (La
Roche Chalais Dordogne)

These companies and part of their subsidiaries operate 77 hydro-electric plants and 27 steam plants with a total installed capacity of 557,600 h.p. The distribution system comprises over 13,000 miles high tension line and over 12,000 miles low tension line. In addition the companies have undeveloped power sites capable of producing a further 520,000 h.p.

These companies operate in important centres and districts, in which are included, Brittany and Normandy; East and Southeast of Paris; Cities of Mentone, Monte Carlo, the Cote d'Azur, Bayonne, Biarritz; the entire Department des Landes; the City of Lyons and surrounding territory; the Industrial Cities of Besançon, Belfort and Montebeliard in Eastern France adjoining the Swiss border; St. Nazaire and Vannes; the Pyrénées district, and in Tananarive, the capital of the French colony of Madagascar. At present service is rendered in 5,055 communities to 875,450 customers in districts with a population of over 5,000,000. In 1930 the electrical output of the companies amounted to 1,280,153,962 kilowatt hours and the output of gas was 2,940,000,000 cubic feet.



The Chancy-Pougny Plant of l'Energie Electrique Rhone et Jura (capacity 50,000 h.p.) is situated on the Rhone about 15 miles below Geneva.

Shading shows territory served by

L'ENERGIE INDUSTRIELLE

and Subsidiary Companies

