

# CANADIAN MARCONI COMPANY

(LIMITED LIABILITY)

HEAD OFFICE:  
MARCONI BUILDING  
MONTREAL



**FORTY-SECOND ANNUAL REPORT**  
(1944)



# CANADIAN MARCONI COMPANY

(LIMITED LIABILITY)

HEAD OFFICE: MARCONI BUILDING  
MONTREAL

*Directors for the year ending  
December 31, 1944*

J. A. BOYD, Esq.	GORDON W. MACDOUGALL, Esq., K.C.
A. H. GINMAN, Esq.	W. M. NEAL, Esq., C.B.E.
DR. MILTON L. HERSEY	H. J. SYMINGTON, Esq., C.M.G., K.C.

*President:*

A. H. GINMAN, Esq.

*Vice-Presidents:*

DR. MILTON L. HERSEY

J. A. BOYD, Esq.

*Secretary:*

JAMES FERGUS, Esq., F.C.I.S.

*Registrars:*

MONTREAL TRUST COMPANY

*Transfer Agents:*

CHARTERED TRUST & EXECUTOR CO.

*Auditors:*

PRICE, WATERHOUSE & Co.





# CANADIAN MARCONI COMPANY

(LIMITED LIABILITY)

HEAD OFFICE: MARCONI BUILDING  
MONTREAL

*General Manager:*  
R. M. BROPHY

*Deputy General Manager:*  
S. M. FINLAYSON

*Secretary and Treasurer:*  
JAMES FERGUS, F.C.I.S.

*Comptroller:*  
A. UNDERWOOD

*Chief Communications Engineer:*  
L. S. PAYNE

*Chief Accountant:*  
W. HOPKINS

*General Sales Manager:*  
M. M. ELLIOTT

*Marine and Inland Services:*  
W. J. GRAY, *Manager*

*Traffic Manager:*  
D. F. BOWIE

*Manager, Station CFCF:*  
J. A. SHAW

## DIVISIONAL OFFICES

### *British Columbia:*

L. S. HAWKINS, *Manager*,  
500 Beatty Street,  
Vancouver, B.C.

### *Mid-Western:*

W. F. SOUCH, *Manager*,  
356 Main Street,  
Winnipeg, Man.

### *Ontario:*

G. F. EATON, *Manager*,  
92 Adelaide St. West,  
Toronto, Ont.

### *Maritimes:*

C. S. McDONALD, *Manager*,  
47 Argyle Street,  
Halifax, N.S.

### *Newfoundland:*

J. J. COLLINS, *Manager*,  
New Gower and Adelaide Sts.,  
St. John's.



# CANADIAN MARCONI COMPANY

(LIMITED LIABILITY)

## BALANCE SHEET - DECEMBER 31, 1944

ASSETS	LIABILITIES
Property, Plant and Equipment: At revised values placed thereon by the Directors as at December 31, 1924, with the cost of subsequent additions, less disposals and fully depreciated properties written off.....	Capital Stock: Authorized—7,500,000 shares of \$1.00 each.....
Less: Depreciation Reserves.....	Subscribed and Issued—4,551,682 shares of \$1.00 each.....
\$2,178,992.35	\$7,500,000.00
1,193,313.66	
\$ 985,678.69	
Patents and Patent Rights: At revised values placed thereon by the Directors as at December 31, 1924, with the cost of subsequent additions, less sale and amounts written off.....	Current Liabilities: Accounts Payable and Accrued Liabilities.....
Investments in Associated Companies.....	Income and Other Taxes.....
Deferred Accounts Receivable:	Unclaimed Dividends.....
Trade.....	Reserve for Dividend.....
Refundable Portion of Excess Profits Tax.....	
\$ 10,500.00	4,930,800.78
292,903.98	250,000.00
303,403.98	150,000.00
Current Assets: Inventories of Manufactured Stock, Work in Process, Materials and Supplies at the lower of cost or market values, as determined and certified by responsible officials (less reserves).....	Reserve for Staff Pensions.....
Accounts Receivable (less reserve).....	Deferred Surplus: Refundable Portion of Excess Profits Tax.....
Newfoundland Government War Savings Certificates.....	Earned Surplus as per statement attached.....
Dominion of Canada Bonds (Market value \$661,973.50).....	
Cash in Banks and on Hand.....	
7,628,856.11	760,394.78
25,149.58	
\$10,938,781.54	\$10,938,781.54

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING DECEMBER 31, 1944

Profit from operations for the year ending December 31, 1944, before taking into account the items shown below.....	\$1,617,557.21
Add: Income from Investments.....	18,337.11
	\$1,635,894.32
Deduct:	
Provision for Depreciation of Properties.....	\$ 231,528.55
Directors' Fees.....	5,843.97
Executive Remuneration.....	52,536.00
Legal Expenses.....	6,263.32
Provision for Pension Fund.....	265,478.70
Loss on Sale of Investments.....	534.12
	562,184.66
	\$1,073,709.66
Deduct: Provision for Income and Excess Profits Taxes (including Refundable Portion of Excess Profits Tax of \$147,397.15).....	875,000.00
Net Profit for the year.....	\$ 198,709.66

Balance at December 31, 1943.....	\$ 743,872.40
Add: Net profit for the year, as above.....	198,709.66
	\$ 942,582.06
Deduct: Amount transferred to Dividend Reserve.....	182,187.28
Balance at December 31, 1944.....	\$ 760,394.78

#### AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of Canadian Marconi Company (Limited Liability) for the year ending December 31, 1944, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above Balance Sheet at December 31, 1944, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs (before making any provision from the operations of the year for writing down of Patents), according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, March 21, 1945.

PRICE, WATERHOUSE & CO.,  
Auditors.





## TO THE SHAREHOLDERS:

Gentlemen:—

Your Directors beg to submit the Balance Sheet and Profit and Loss Statement of the Company for the year ending December 31, 1944.

Net Profit from Operations for the Period amounted to \$1,073,709.66.

The Provision for Dominion, Provincial and other Taxes—\$632,702.39—is arrived at as follows:

Amount transferred from Profits in 1944 to provide for Federal Income and Excess Profits Taxes.....	\$875,000.00
Plus: Balance of Reserve for this purpose carried over from 1943..	81.55
Total Provision for Income and Excess Profits Taxes.....	875,081.55
Less: Amount which has been paid on account, in monthly instalments since July 1st, as now required by law.....	409,998.00
Balance of Provision for Income and Excess Profits Taxes.....	465,083.55
Plus: Federal Sales Tax and other Sundry Taxes.....	167,618.84
	<u>\$632,702.39</u>

Income and Excess Profits Taxes payable amount to \$872,482.61, which includes the portion refundable two years after the cessation of hostilities, amounting to \$147,397.15—or 3.2% on Issued Capital. This latter figure has been added to those for 1942 and 1943, and, with a small adjustment of \$84.54, makes a total refundable amount of \$292,903.98.

The regular Dividend of 4% has been declared payable on June 1st, to shareholders of record April 16th.

The "Standard Profits" of your Company had, as reported last year, been established at \$256,277.36; but by an Amendment to the Excess Profits Tax Act, in August, 1944, our "Standard Profits" are increased by 5% of the difference between the Capital employed on January 1, 1944 and on January 1, 1939. This resulted in adjusted "Standard Profits" of \$290,350.40, which, however, are subject to taxation, leaving a distributable balance of \$198,709.66, or \$16,522.38 in excess of Dividend requirements, and this sum is being carried forward to Earned Surplus.



Depreciation of \$231,528.35 is \$95,764.75 less than was provided for last year, and is now on a normal basis, all special depreciation having been liquidated.

Your Company's subscription to the Seventh Victory Loan—of \$600,000.00—was financed without recourse to bank loans or overdraft, as was the Staff's subscription of \$350,000.00—being repaid by monthly instalments which will be completed by April 30, 1945, and, in the meantime, the balance due to the Company is being carried in Accounts Receivable.

Your Directors report, with keen regret, the death of Mr. A. E. Dymont, on May 12, 1944, he having served on the Board for some twenty-four years.

Our General Manager, Mr. R. M. Brophy, tendered his resignation, to become effective on March 31st, having accepted the appointment as President of Rogers Majestic Limited, Rogers Electronic Tubes Limited and subsidiary companies.

Mr. S. M. Finlayson has been appointed General Manager, effective April 1, 1945, to succeed Mr. Brophy. Mr. Finlayson, who is a graduate of McGill University, with the Degree of B.Sc. (Electrical Engineering), became associated with the Company in 1919 and has, during the past seven years, served as Deputy General Manager.

Your Factory continues to be engaged largely upon war production and the manufacture of equipment for other essential services.

Your Planning and Co-ordinating Committee is approaching the completion of its study of utilizing our facilities for post-war production, and a member of that Committee is now visiting various factories in England to become acquainted with any recent developments suitable for our production in Canada.

Your Board again records its appreciation of the excellent team-work displayed by every member of our Staff, without whose whole-hearted co-operation your Company would not, throughout another strenuous year, have been able to maintain its high standards of quality and production.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "J. J. Finman". The signature is written in a cursive style and is underlined with a single horizontal line.

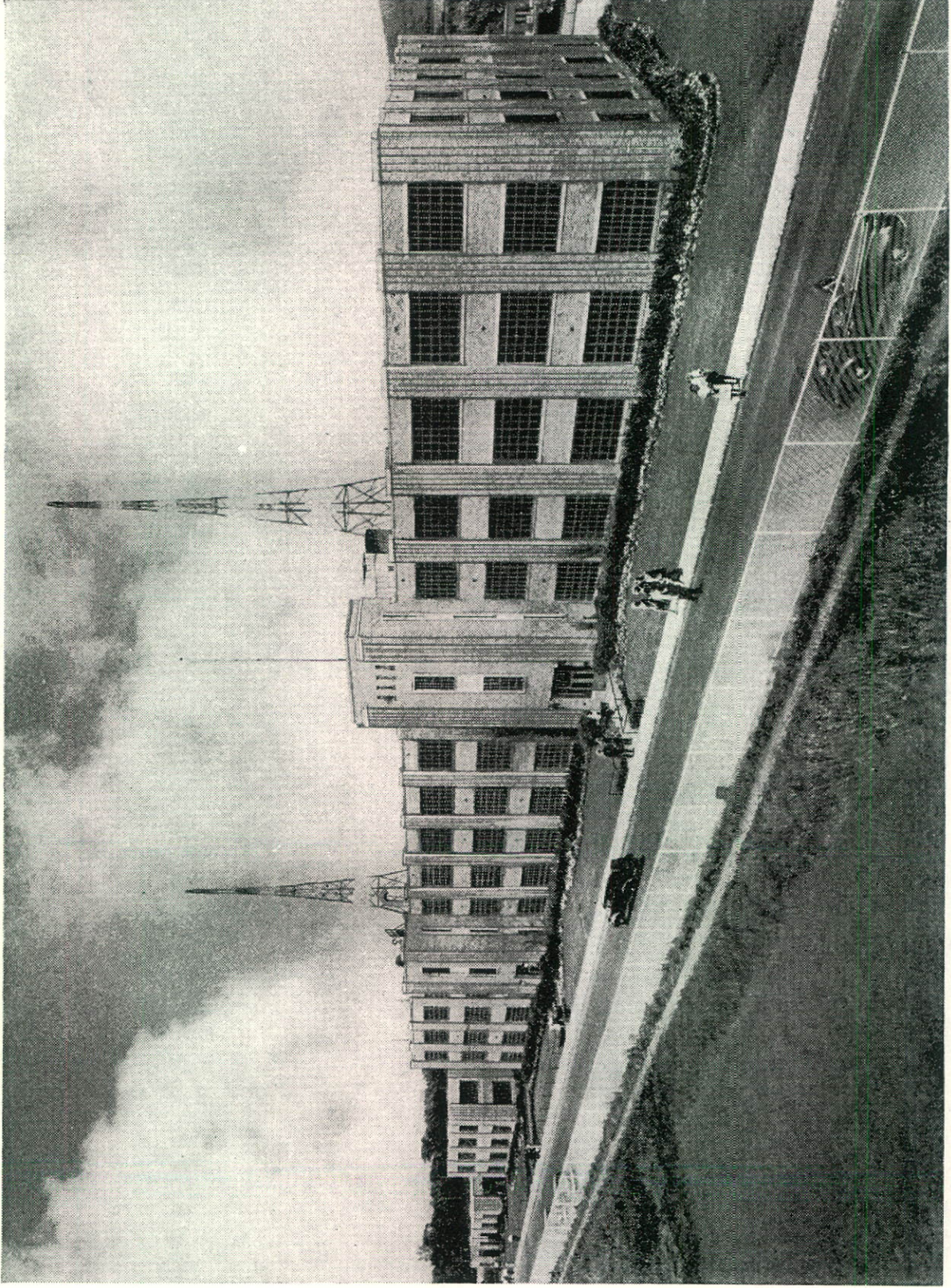
Montreal, March 28, 1945.

*President.*





**CANADIAN MARCONI COMPANY**  
(LIMITED LIABILITY)



FACTORY — MONTREAL







