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# ANNUAL REPORT

TO THE SHAREHOLDERS

DECEMBER 31st

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CANADIAN GENERAL INVESTMENTS LIMITED

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# CANADIAN GENERAL INVESTMENTS LIMITED

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C. H. CARLISLE

THE RT. HON. ARTHUR MEIGHEN, K.C., P.C.

COL. HUGH CLARK

THE RT. HON. LORD QUEENBOROUGH, G.B.E.

R. R. CORSON

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JOHN S. DICKSON

COL. M. C. G. MEIGHEN, O.B.E.

HON. RAY LAWSON, O.B.E., LL.D.

COLIN W. WEBSTER

## OFFICERS

THE RT. HON. ARTHUR MEIGHEN, K.C., P.C. - - - - - *President*

COL. M. C. G. MEIGHEN, O.B.E. - - - - - *Vice-President*

MISS E. M. STRAIN - - - - - *Secretary*

D. E. STEWART - - - - - *Treasurer*

## AUDITOR

A. D. DOWNIE, C.A. - - - - - *Toronto*

# CANADIAN GENERAL INVESTMENTS LIMITED



## TO THE SHAREHOLDERS:

Herewith is submitted the Annual Report of your Company for the year ending December 31, 1947, and Balance Sheet, Profit and Loss and Surplus Account, and Capital Surplus Distributable Account, as certified by your Company's auditor.

The Investments of your Company as at December 31, 1947, are shown on the Balance Sheet as \$9,032,380, consisting entirely of Marketable Securities for which quotations were available. The apparent market value of these securities was estimated on a conservative basis at \$13,072,721. This indicates an excess in the value of your total holdings over book value of \$4,040,341. After deducting liabilities, including provision for the dividend of seventeen and one-half cents a share paid to shareholders on January 15, 1948, the net assets of your Company (including cash and accrued interest and dividends) had a value of \$13,540,281 as at December 31, 1947. This compares with \$13,606,772 as at December 31, 1946.

On a per share basis, net apparent liquidating value was \$22.54 at December 31, 1947, which compares with \$22.65 as at December 31, 1946, \$22.27 as at December 31, 1945, and \$18.26 as at December 31, 1944.

An amount of \$22,185 was appropriated from dividends earned during the year on stocks of producing mines, such appropriation being allowed by the Dominion Department of Income Tax as depletion against decline of equity in mining investments. This, together with that set aside in previous years, now totals \$94,817. Net profit derived from interest and dividends received amounted, after this appropriation and after deducting all expenses, to \$628,630, compared with \$562,899 in 1946. (No provision for taxes has been necessary for the year ending December 31, 1947. \$6,276 was the provision for taxes for the previous year.)

The total expenses of your Company in 1947 amounted to \$32,587, or less than one-quarter of one per cent. of the net assets at the end of the year.

Quarterly dividends were declared during the year, payable as follows: April 15, 1947, at the rate of seventeen and one-half cents per share plus a bonus of twenty cents per share; July 15, October 15, 1947, and January 15, 1948, at the rate of seventeen and one-half cents per share. These dividends required \$540,523. After deducting this amount from the net income a balance of \$88,107 remained, which was added to Surplus Account. This on December 31, 1947, stood at \$1,246,348.

A regular dividend of seventeen and one-half cents a share plus a bonus of twenty cents a share has been declared payable April 15, 1948. Total dividend disbursements of this and predecessor Companies will then aggregate \$7,350,691.

As a result of changes in the portfolio of investments, profits amounting to \$452,132 were realized on securities sold and redeemed. This amount has been added to Capital Surplus Distributable Account which now stands at \$5,155,830.

There is again presented on page 6 of this report a Classification of Investments according to Type of Investment and Geographical Distribution. The Company's security portfolio consists of 193 individual issues and gives a broad diversification.

Submitted on behalf of the Board,

President.

February 19, 1948.

# CANADIAN GENERAL INVESTMENTS LIMITED

## BALANCE SHEET - DECEMBER 31 1947

ASSETS	LIABILITIES
CASH IN BANK ..... \$ 161,302.49	SECURITIES PURCHASED ..... \$ 24,268.69
SECURITIES SOLD ..... 287,263.92	DIVIDENDS PAYABLE ..... 107,380.73
MARKETABLE SECURITIES ..... \$9,032,380.66	\$ 131,649.42
NOTE: The indicated value of the above investments on the basis of market quotations at December 31 1947 was \$13,072,721.00.	RESERVE FOR INVESTMENTS (Mines) ..... 94,817.00
Add—Accrued interest and dividends thereon to December 31, 1947 ..... 150,643.70	SHARE CAPITAL:
9,183,024.36	Authorized—
	1,000,000 shares of no par value.
	Issued and outstanding—
	600,589 shares at \$5.00 each ..... \$3,002,945.00
	CAPITAL SURPLUS DISTRIBUTABLE ..... 5,155,830.69
Approved on behalf of the Board:	SURPLUS ACCOUNT ..... 1,246,348.66
ARTHUR MEIGHEN, Director	TOTAL CAPITAL AND SURPLUS ..... 9,405,124.35
R. R. CORSON, Director	\$9,631,590.77
<u>\$9,631,590.77</u>	<u>\$9,631,590.77</u>

### AUDITOR'S REPORT TO THE SHAREHOLDERS:

I have examined the books and accounts of Canadian General Investments Limited for the year ended December 31 1947 and all my requirements as auditor have been complied with.

I verified the Company's securities either by actual inspection or by certificates. The cash in bank was confirmed by certificates.

I report that, in my opinion, the above balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at December 31, 1947, according to the best of my information and the explanations received and as shown by the books of the Company.



Chartered Accountant.

Toronto, February 11, 1948.

# CANADIAN GENERAL INVESTMENTS LIMITED

## STATEMENT OF PROFIT AND LOSS

For the Year Ended December 31, 1947

INCOME FROM INVESTMENTS .....	\$ 683,403.12	
Less—Transferred to Reserve for Investments (Mines) .....	22,185.00	
		<u>\$ 661,218.12</u>
EXPENSES:		
Management fee .....	\$ 30,000.00	
Directors' fees .....	280.00	
Miscellaneous .....	2,307.58	
		<u>32,587.58</u>
NET PROFIT FOR YEAR .....		<u>\$ 628,630.54</u>

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## SURPLUS ACCOUNT

For the Year Ended December 31, 1947

Balance, January 1 1947 .....		\$1,158,242.07
Add—Profit for year as above .....	\$ 628,630.54	
Less—		
Quarterly dividends paid or declared, amounting to ninety cents per share on the Company's capital stock issued and outstanding .....	540,523.95	
		<u>88,106.59</u>
BALANCE, DECEMBER 31 1947 .....		<u>\$1,246,348.66</u>

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## CAPITAL SURPLUS DISTRIBUTABLE

For the Year Ended December 31, 1947

Balance, January 1 1947 .....		\$4,703,698.53
Add—Net profit realized on securities sold and redeemed .....		452,132.16
BALANCE, DECEMBER 31 1947 .....		<u>\$5,155,830.69</u>

# CANADIAN GENERAL INVESTMENTS LIMITED

## SUMMARY OF INVESTMENTS

(On the Basis of Market Values as at December 31 1947)

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### CLASSIFICATION OF SECURITIES ACCORDING TO TYPE OF INVESTMENT:

	%
Cash .....	1.7
Securities Sold (Cash Received Jan. 2/48) .....	3.0
Bonds and Debentures .....	2.9
Preferred Shares .....	43.1
Bank and Trust Companies .....	2.8
Common Shares .....	46.5
	<hr/> 100.0

### CLASSIFICATION ACCORDING TO GEOGRAPHICAL DISTRIBUTION:

	%
Canada .....	97.1*
Great Britain .....	0.2
South and Central America .....	0.6
United States of America .....	2.1
	<hr/> 100.0

\* Investment in International Petroleum is included in Canada.



