

The Consumers' Gas Company  
~ of Toronto ~  
Ninety-Sixth Annual Report

Year ended 30th September, 1944

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# The Consumers' Gas Company of Toronto

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## BOARD OF DIRECTORS

### *President*

#### A. L. BISHOP

President, The Coniagas Mines, Limited  
Director, The Manufacturers Life Insurance Company  
Director, The Consolidated Mining and Smelting Company of Canada, Limited

### *Vice-President*

#### COLONEL J. F. MICHIE

President, Michie & Company  
Vice-President, Imperial Bank of Canada  
Vice-President, Confederation Life Association

### *Directors*

#### C. S. MACDONALD

Chairman of the Board, Confederation Life  
Association  
Director, Barclays Bank (Canada)  
Director, Toronto General Trusts  
Corporation

#### W. C. LAIDLAW

President, R. Laidlaw Lumber Company,  
Limited  
Director, Imperial Bank of Canada  
Director, Canada and Dominion Sugar  
Company, Limited

#### M. R. GOODERHAM

President, Manufacturers Life Insurance  
Company  
President, Alexandra Apartments Limited

#### F. S. CORRIGAN

Executive Vice-President, General Steel  
Wares Limited  
Director, North American Life Assurance  
Company  
Director, Canada Permanent Mortgage  
Corporation

#### HERBERT HORSFALL

Chairman of the Board, Canada Wire  
and Cable Company, Limited  
Director, Imperial Bank of Canada  
Director, Toronto General Trusts  
Corporation

#### ROLPH R. CORSON

President, Ralph R. Corson Limited  
President, Chartered Trust and Executor  
Company  
President, Boiler Inspection and Insurance  
Co. of Canada

*His Worship the Mayor of Toronto*  
FRED. J. CONBOY, D.D.S.

#### EDWARD J. TUCKER

General Manager  
The Consumers' Gas Company of Toronto

# Ninety-Sixth Annual Report of the Directors of The Consumers' Gas Company of Toronto

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## TO THE SHAREHOLDERS:

Your Directors present herewith the Ninety-sixth Annual Report of the operations of the Company, together with the Balance Sheet as of September 30th, 1944, and the Statement of Income for the year ended September 30th, 1944.

Notwithstanding the many unprecedented problems which we have had to meet by reason of wartime conditions, the record gas requirements of war production and other industrial plants, as well as those of the civilian population, were successfully met and a high standard of service rendered to the public.

The sales of gas have exceeded those of any previous year. The volume of gas sold amounted to 6,646,380,700 cubic feet, being 3.07 per cent. greater than in 1943, and 30.1 per cent. higher than the sales of 1939.

The following figures present in condensed form the financial results of the year's operations:

|                                    |                |
|------------------------------------|----------------|
| Gross Earnings.....                | \$8,387,428.69 |
| Operating Expenses and Taxes.....  | 6,369,572.83   |
| Net Earnings.....                  | \$2,017,855.86 |
| Interest Earnings.....             | 78,312.18      |
| Transferred from Reserve Fund..... | 216,837.95     |
|                                    | <hr/>          |
|                                    | \$2,313,005.99 |
| Dividends.....                     | \$1,164,416.00 |
| Transferred to Plant and Buildings |                |
| Renewal Fund.....                  | 1,148,589.99   |
|                                    | <hr/>          |
|                                    | \$2,313,005.99 |

Revenue from Gas Sales amounted to \$6,642,885, an increase of \$224,545 over last year. Practically the whole of this increase represents expansion in the use of gas by domestic customers for other than house-heating purposes. House-heating by gas is steadily gaining in popularity. At the close of the year there were slightly over one thousand house-heating units in use, compared with less than one hundred units five years ago. Sales to industrial and commercial undertakings were maintained at the same high level of last year.

Sales of domestic appliances were greatly curtailed because of governmental wartime restrictions on their manufacture. Gas refrigerators were not obtainable; water heaters were available in limited quantities only; and the cooking ranges procurable were confined to small models approved for wartime production.

Supplementing its normal work of disseminating useful information on nutrition, meal-planning and cooking, by radio and otherwise, our Home Service Department has extended its activities to include an educational programme designed to instruct customers in the proper care and use of their gas appliances. In view of the limited number of new appliances available, this service has proved of great benefit to many, and is much appreciated.

Operating expenses continue to reflect the steady upward trend in the cost of coal and other materials, labour rates, and taxes. As compared with the cost in 1939, the price of coal has increased \$1.84 per ton, an added annual cost on the quantity used in 1944, of \$520,500.

Wages and salaries paid to employees aggregated \$2,129,851. The increases in hourly rates combined with

cost of living bonuses granted since 1939 have reached an annual total of approximately \$400,000. At the end of the year the number of men and women employed was 1,131.

The total provision for taxes of all kinds was \$640,378.

Expenditures for the maintenance of the plants and other properties amounted to \$557,106. During the year, 72 of the 104 gas retorts at Station "A" Works were taken down and completely rebuilt. Work is now proceeding on the erection at Station "A" Works, of one large modern steam raising plant to replace three old separate units. It is expected that this replacement will result in substantial savings in the cost of steam production.

It has been the consistent policy of the Directors to maintain a strong cash position so as to meet any eventualities which may arise. Cash and government securities on hand at the end of the year totalled \$2,697,977, an increase over last year of \$379,044.

The names on the Honour Roll of the Company's employees serving with Canada's Armed Forces now number 235. We deeply regret having to report that seven of their number have made the supreme sacrifice. Our heartfelt sympathy is extended to their bereaved families and friends.

It is with profound regret that the Directors record the death on June 28th, of their honoured colleague, Mr. F. Gordon Osler, an outstanding citizen and business leader. During the twenty-two years he was a member of the Board, Mr. Osler gave freely of his wide experience and sound judgment in the conduct of the Company's affairs.

The vacancy on the Directorate occasioned by the death of Mr. Osler was filled by the election to the Board of Mr. Rolph R. Corson.

The Directors recognize the difficulties and stress under which the officers and staff have carried on the operations of the Company during the past year and acknowledge with deep appreciation the loyal co-operation of all concerned in successfully and efficiently meeting the requirements of our customers.

All of which is respectfully submitted.

A. L. BISHOP,

*President.*

# The Consumers' Gas Company of Toronto

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## Statement of Income

For Year ended September 30th, 1944

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### GROSS OPERATING REVENUE:

|                            |                |
|----------------------------|----------------|
| Gas Sales.....             | \$6,642,885.40 |
| Residuals Produced.....    | 1,423,617.24   |
| Merchandise Sold.....      | 316,303.06     |
| Miscellaneous Revenue..... | 4,622.99       |
|                            | <hr/>          |
|                            | \$8,387,428.69 |

|  |                    |
|--|--------------------|
| Production, Distribution and Administration<br>Expenses and Taxes..... | <hr/> 6,369,572.83 |
|--|--------------------|

|                            |                 |
|----------------------------|-----------------|
| NET OPERATING INCOME.....  | 2,017,855.86    |
| INTEREST EARNINGS NET..... | <hr/> 78,312.18 |
|                            | <hr/>           |

|  |               |
|--|---------------|
| TOTAL NET INCOME before Provision for Plant and<br>Buildings Renewal Fund..... | 2,096,168.04  |
| Dividends on Capital Stock.....  | 1,164,416.00  |
|  | <hr/>         |
|  | \$ 931,752.04 |

|   |              |
|---|--------------|
| Transferred from Reserve Fund.....              | 216,837.95   |
|   | <hr/>        |
| Transferred to Plant and Buildings Renewal Fund | 1,148,589.99 |

# The Consumers' Gas Balance September

## LIABILITIES

|   |                 |
|---|-----------------|
| Capital Stock.....  | \$14,555,200.00 |
| Reserve Fund.....   | 4,129,154.21    |
| Plant and Buildings Renewal Fund:   |                 |
| Amount at credit October 1, 1943..  | \$8,951,133.23  |
| Less Repairs and Renewals.....  | 557,106.89      |
|   | <hr/>           |
|   | \$8,394,026.34  |
| Appropriation Authorized by   |                 |
| Statute.....  | 1,148,589.99    |
|   | <hr/>           |
|   | 9,542,616.33    |
| Reserved for Dividend No. 378.....  | 291,104.00      |
| Provision for Exchange, Workmen's Compensation and<br>Dominion Government Taxation..... | 144,577.43      |
| Accounts Payable.....   | 424,436.73      |
|   | <hr/>           |
|   | \$29,087,088.70 |
|   | <hr/>           |

Approved on behalf of the Board of Directors.

(Signed) A. L. BISHOP,  
*President.*

(Signed) EDWARD J. TUCKER,  
*Director and General Manager.*

## Company of Toronto

## Sheet

30th, 1944

## ASSETS

|   |                 |
|---|-----------------|
| Real Estate, Plant and Equipment.....                                     | \$23,762,464.50 |
| Investment in Dominion of Canada Bonds (At Cost)                          | 2,563,925.12    |
| Materials and Supplies.....   | 1,673,190.44    |
| Cash in Bank and Offices.....   | 134,051.92      |
| Accounts Receivable, after making provision for<br>Doubtful Accounts..... | 829,484.98      |
| Interest Accrued, not due.....  | 24,426.05       |
| Prepaid Taxes and Insurance.....  | 99,545.69       |
|   |                 |
|   | \$29,087,088.70 |

We have audited the accounts of The Consumers' Gas Company of Toronto for the year ended 30th September, 1944, and in the conduct of the work have received all of the information and explanations we have required.

We report that, in our opinion, the above balance sheet fairly represents, in accordance with accepted principles of accounting appropriately applied and consistently maintained, the financial position of the Company at 30th September, 1944, according to the best of our information and as shown by the books of the Company.

GUNN, ROBERTS & COMPANY,  
*Chartered Accountants*

TORONTO, NOVEMBER 7th, 1944.





