

ANNUAL REPORT

Canadian General Electric Co.

Limited

Canada Foundry Co.

Limited

1906



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Canadian General Electric Company
Limited

Canada Foundry Company
Limited

ANNUAL REPORT *of the*
BOARD OF DIRECTORS

FOR THE YEAR ENDED
31ST DECEMBER
1906

DEPARTMENTAL EXECUTIVE COMMITTEE

CHAIRMAN :

H. G. NICHOLLS, *Assistant General Manager and Secretary.*

VICE-CHAIRMAN :

G. W. WATTS, *Manager of Works.*

ASHWORTH, J. J.	. . . . .	<i>Manager of Sales, Foundry Dept.</i>
BREMNER, J. A.	. . . . .	<i>General Auditor</i>
CAMPBELL, J. W.	. . . . .	<i>Manager Contract Sales, Electrical Dept.</i>
GUEST, A. E.	. . . . .	<i>Treasurer</i>
HARKOM, J. W.	. . . . .	<i>Consulting Engineer</i>
JENKING, E. I.	. . . . .	<i>Assistant Secretary</i>
KYNOCH, J.	. . . . .	<i>Chief Engineer, Electrical Dept.</i>
MADDEN, G. F.	. . . . .	<i>Manager of Agencies</i>
MCCORMACK, E. D.	. . . . .	<i>Manager, Supply Dept.</i>
WEDD, E. K. M.	. . . . .	<i>Manager, Purchasing Dept.</i>

Annual Report of the Directors

SUBMITTED TO THE SHAREHOLDERS AT THE ANNUAL
GENERAL MEETING, HELD AT THE OFFICES
OF THE COMPANY, IN TORONTO, ON
WEDNESDAY, 27TH MARCH, 1907.

Your Directors submit, herewith, a statement of the Assets and Liabilities of the Company as upon the 31st day of December, 1906, and the Profit and Loss Statement for the year ending on that date.

BALANCE SHEET.

The business of the Company for the year has been most satisfactory and has resulted in a profit of \$853,675.19. To this must be added, in the Profit and Loss Statement, the amounts of \$220,000.00, received as premium on the issue of eleven thousand shares of Common Stock, and \$90,762.66, being the balance at the credit of Profit and Loss on the 1st of January, 1906, making a total of \$1,164,437.85. Of this total, \$484,690.14 has been paid out in Dividends; \$71,160.12 for Bank Interest; \$320,000.00 has been added to the Reserve Fund; \$219,553.20 has been written off for depreciation, and the balance of \$69,034.39 remains at the credit of Profit and Loss Account.

Our Reserve Fund now stands at \$1,800,320.00; Contingent Fund at \$100,000.00 and the credit balance of Profit and Loss Account is \$69,034.39, making a total surplus of \$1,969,354.39.

The policy of taking the inventory of the Assets of the Company on a most conservative valuation, has been again followed in addition to the precaution of writing off this year a further sum of \$219,553.20 for depreciation.

At present the Company owns unoccupied lands at a cost valuation of \$355,000.00, part of which have been purchased during the present year. These lands, which otherwise would be built upon and impossible to acquire, except at an almost prohibitive price, mainly adjoin the present sites of our manufacturing plants at Peterboro and Davenport and will permit of extensions of our manufacturing facilities from time to time. Our real estate, thus held in reserve, is increasing in value in a greater ratio than the cost of carrying it.

Owing to the rapid development of the Company's business in all departments, your Directors last year approved of the construction of two new large manufacturing buildings; one at Peterboro and the other at Davenport. Both of these buildings are of steel frame construction and designed for heavy working strains. They are nearly completed and, when equipped with modern electric travelling cranes and other up-to-date appliances, will enable the Company to accept a larger proportion of the business offering, without a corresponding percentage of increase in operating expenses. The cost of these buildings, when completed, will amount approximately to \$350,000.00, exclusive of machine tools.

The machinery and tool equipment at the Davenport Works has been materially added to and it is expected that by about July 1st next, we will commence to reap the benefit from these new buildings and equipment, which have been under way since last summer, and the interest on which, during construction, has all been charged direct to Expense Account.

The new foundry for manufacturing cast iron gas and water pipe is now completed and will be in full operation by about April 1st next. As this foundry will have an output of four times the tonnage of the old pipe foundry, we are now in a position to manufacture these lines with greater economy and to offer our customers better delivery dates than heretofore.

As a natural outcome of the larger volume of business undertaken, our merchandise inventories have increased by \$444,841.93, and Accounts and Bills Receivable by \$304,502.74. The amount of unfinished work on order at the end of the year, (apparatus, machinery and supplies in various stages of manufacture) amounted, at the contract prices, to upwards of four millions of dollars, and as new contracts have been closed during the first two months of 1907 which exceed in amount those of the corresponding period of last year, the successful operation of our factories during the current year is assured.

ELECTRICAL DEPARTMENT.

The operation of this Department has been hampered by lack of facilities, but, on completion of the new factory building, early this summer, manufacturing conditions should be much improved. It is, however, gratifying to your Directors, to be able to state that, notwithstanding the handicap of inadequate room and equipment for the growth of the business, the output has exceeded anticipations, although much of the apparatus has been of novel design

and of much larger capacity than heretofore built in Canada, and in this connection we may point to the successful operation of the 12,000-H.P. generators, which were manufactured at our Peterboro' shops for the Niagara power plant of the Electrical Development Company. The fact that these generators are the largest in the world is an evidence of the thorough equipment of our works.

CANADA FOUNDRY DEPARTMENT.

In this Department much progress has been made, both in the increase of output and the development of new lines of manufacture. Our reputation for the excellence of our product is unexcelled, although our deliveries have been more or less delayed through lack of adequate facilities, but this drawback will be remedied as a result of the completion of the extension to the machine shop at an early date, which will then have a manufacturing area of 114,496 square feet, as against 56,896 square feet at present.

The losses incidental to the development of a large number of new lines of manufacture, such as steam shovels, rock crushers, locomotives, etc., amounting to \$106,000.00, have been charged direct to Operating Expense, and not one dollar of such development charges have been capitalized, and notwithstanding this conservative policy, a profit of \$103,709.06 has been brought forward. As there will be very little development work undertaken during the present year, it is anticipated that the results of the Canada Foundry Department during 1907 will be satisfactory to the shareholders.

DISTRICT OFFICES

The business of each of our district offices at Halifax, Montreal, Ottawa, Winnipeg, Rossland and Vancouver, has shown improved results over the previous year. A large quantity of apparatus and supplies is carried at these local offices for the convenience of customers, in order to save time in deliveries from the factories and freight charges on individual shipments.

FORMER BALANCE-SHEETS.

The purchase of 11,000 shares of the Common Stock of the Company by investors in Great Britain and Europe has very materially added to our list of shareholders, and, in order that these new shareholders may become conversant with the previous history of the Company, copies of the Annual Financial Statements since the inception of the Company are printed as Addenda to this Report.

W. R. BROCK, *President.*

ASSETS AND

FOR YEAR ENDING

LIABILITIES

TO DECEMBER, 1906.

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ASSETS.

PERMANENT INVESTMENTS—

Patents and Contracts.....	\$ 286,292.84	
Factory Plants, including Peterboro' and Montreal Real Estate and Buildings, Nassau Hydro- Electric Power Plant, Canada Foundry Com- pany Real Estate and Buildings, Ornamental Iron Works Real Estate and Buildings.....	3,198,026.22	
Patterns and Drawings.....	125,000.00	
Machinery and Tools—		
Canadian General Electric Co.....	361,424.85	
Canada Foundry Company.	875,575.66	
		\$4,846,319.57

CASH AND CURRENT ASSETS—

Cash	\$ 10,796.84	
Accounts Receivable.....	1,780,608.28	
Notes Receivable.....	78,839.13	
Brantford Street Railway Co. Bonds.....	125,000.00	
Other Companies' Bonds.....	11,000.00	
		\$2,006,244.25
Merchandise Inventory.. ..	2,684,323.89	
Expenditure on Contracts, Net	45,639.47	
Insurance Unexpired.....	10,834.23	
		4,747,041.84

\$9,593,361.41

LIABILITIES.

Capital Stock, Common.....	\$4,700,000.00	
Capital Stock, Preferred.	300,000.00	
		\$5,000,000.00
Accounts and Bills Payable.....		1,241,334.63
Canadian Bank of Commerce, Current.....		1,112,983.34
Canadian Bank of Commerce, Special		83,289.05
(Nassau Power Plant)		
Northey Co. Mortgage Bonds.....		160,000.00
Mortgages Payable		26,400.00
Reserve Fund	\$1,800,320.00	
Contingent Fund.....	100,000.00	
Profit and Loss Account.	69,034.39	
		1,969,354.39

\$9,593,361.41

PROFIT AND LOSS ACCOUNT

FOR YEAR ENDING

31ST DECEMBER, 1906.

DR.	
To Dividends Paid.....	\$ 484,690.14
To Interests Paid and Discounts Allowed.....	71,160.12
To Amounts Written Off.....	219,553.20
To Transferred to Reserve Fund from Operating Profits.....	100,000.00
To Transferred to Reserve Fund for Premium on New Stock.....	220,000.00
To Balance at Credit Profit and Loss, 31st December, 1906.....	69,034.39
	\$1,164,437.85

CR.	
By Balance, 1st January, 1906.....	\$ 90,762.66
By Profit on Operating.....	853,675.16
By Premium on New Stock.....	220,000.00
	\$1,164,437.85

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

TORONTO, 15th March, 1907.

ADDENDA

ASSETS AND FOR YEAR ENDING

LIABILITIES 31ST DECEMBER, 1905.

ASSETS.

PERMANENT INVESTMENTS—	
Patents and Contracts.....	\$ 263,067.08
Factory Plants, including Peterboro' and Montreal Real Estate and Buildings, Porcelain and Car- bon Works, Nassau Power Plant, and Canada Foundry Company and Northey Mfg. Company	2,668,558.18
Patterns and Drawings.....	125,000.00
Machinery and Tools { Peterboro'	365,056.17
* Davenport	649,652.12
	<u>\$4,071,333.55</u>
CASH AND CURRENT ASSETS—	
Cash.....	\$ 8,544.76
Accounts Receivable.....	1,447,556.14
Notes Receivable	107,388.53
Brantford Street Railway Co. Bonds.....	125,000.00
Bonds of Other Companies.....	11,000.00
	<u>\$1,699,489.43</u>
Merchandise Inventory	2,239,481.96
Expenditure on Contracts, Net.....	220,834.08
Insurance Unexpired.....	10,444.64
	<u>4,170,250.11</u>
	<u>\$8,241,583.66</u>

* Previously included in Canada Foundry Company's manufacturing plant.

LIABILITIES.

Capital Stock, Common	\$3,579,705.00
Capital Stock, Preferred.....	300,000.00
	<u>\$3,879,705.00</u>
*Accounts and Bills Payable	1,010,283.67
*Canadian Bank of Commerce, Current	1,403,497.27
Canadian Bank of Commerce, Special	86,965.06
(Nassau Power Plant)	
Northey Co. Mortgage Bonds.....	160,000.00
Mortgages Payable.....	30,050.00
Reserve Fund	\$1,480,320.00
Contingent Account.....	100,000.00
Profit and Loss Account	90,762.66
	<u>1,671,082.66</u>
	<u>\$8,241,583.66</u>

* Since the expiration of the fiscal year the cash received from the sale of 11,000 shares has been applied to paying off the floating liability.

PROFIT AND FOR YEAR ENDING

LOSS ACCOUNT 31ST DECEMBER, 1905.

DR.

To Dividends Paid	\$335,499.11
To Interest Paid and Discounts Allowed	125,988.61
To Amounts Written Off.....	137,870.01
To Balance at Credit 31st December, 1905	90,762.66
	<u>\$690,120.39</u>

CR.

By Balance, 1st January, 1905.....	\$ 81,913.42
By Profit on Operating	608,206.97
	<u>\$690,120.39</u>

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

TORONTO, 5th March, 1906.

ASSETS AND LIABILITIES

FOR YEAR ENDING 31ST DECEMBER, 1904.

ASSETS.	LIABILITIES.
PERMANENT INVESTMENTS—	Capital Stock, Common
Patents and Contracts	\$2,668,900.00
\$ 250,000.00	Capital Stock, Preferred
Factory Plants, including Peterboro' and Montreal	300,000.00
Real Estate and Buildings, Porcelain and Car-	<u>\$2,968,900.00</u>
bon Works, Nassau Power Plant, and Canada	Accounts and Bills Payable
Foundry Co. and Northey Mfg. Co.	918,471.66
3,157,413.05	Canadian Bank of Commerce, Current
Patterns and Drawings	1,305,161.77
100,000.00	Canadian Bank of Commerce, Special
Machinery and Tools	90,466.02
375,838.23	(Nassau Power Plant)
<u>\$3,883,251.28</u>	Northey Co. Mortgage Bonds
	160,000.00
CASH AND CURRENT ASSETS—	Mortgages Payable
Cash	32,650.00
\$ 7,162.76	Reserve Fund
Accounts Receivable	\$1,239,770.00
1,010,351.77	Contingent Account
Notes Receivable	100,000.00
76,724.99	Profit and Loss Account
Brantford Street Railway Co. Bonds	81,913.42
125,000.00	<u>1,421,683.42</u>
<u>\$1,219,239.52</u>	
Merchandise Inventory	
1,685,097.28	
Expenditure on Contracts, Net	
92,968.17	
Insurance Unexpired	
16,776.62	
<u>3,014,081.59</u>	
<u>\$6,897,332.87</u>	<u>\$6,897,332.87</u>

PROFIT AND LOSS ACCOUNT

FOR YEAR ENDING 31ST DECEMBER, 1904.

DR.	CR.
To Dividends Paid	By Balance, 1st January, 1904
\$284,890.00	\$ 80,769.71
To Interest	By Profit on Operating
107,873.52	582,519.60
To Amounts Written Off	
113,612.37	
To Transfer to Reserve Fund	
75,000.00	
To Balance at Credit 31st December, 1904	
81,913.42	
<u>\$663,289.31</u>	<u>\$663,289.31</u>

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

ASSETS AND FOR YEAR ENDING

ASSETS.	
PERMANENT INVESTMENTS—	
Patents and Contracts.....	\$ 245,000.00
Factory Plants, including Peterboro' and Montreal Real Estate and Buildings, Porcelain and Car- bon Works, Nassau Power Plant, Canada Foundry and Northey Mfg. Co. Property	2,485,673.70
Patterns and Drawings, Peterboro' and Montreal.	80,000.00
Machinery and Tools do.	373,597.13
	\$3,184,270.83
CASH AND CURRENT ASSETS—	
Cash.....	\$ 6,106.06
Accounts Receivable.....	777,787.11
Notes Receivable.....	23,517.42
Brantford Street Railway Co. Bonds.....	120,000.00
Canada Foundry Co. Stock.....	299,220.00
	\$1,226,630.59
Merchandise Inventory.....	1,826,620.20
Expenditure on Contracts, Net.....	56,504.76
Insurance Unexpired.....	7,952.22
	3,117,007.77
	\$6,301,978.60

PROFIT AND FOR YEAR ENDING

DR.	
To Dividends Paid.....	\$269,277.98
To Interest.....	39,752.96
To Amounts Written Off.....	103,132.51
To Transfer to Reserve Fund.....	100,000.00
To Balance at Credit 31st December, 1903.....	80,769.71
	\$592,933.16
	\$592,933.16

LIABILITIES 31ST DECEMBER, 1903.

LIABILITIES.	
Capital Stock, Common.....	\$2,668,900.00
Capital Stock, Preferred.....	300,000.00
	\$2,968,900.00
Accounts and Bills Payable.....	946,555.76
Canadian Bank of Commerce, Current.....	767,182.86
Canadian Bank of Commerce, Special (Nassau Power Plant).....	93,800.27
Northey Co. Mortgage Bonds.....	160,000.00
Mortgage Payable, New Office Building Property.....	20,000.00
Reserve Fund.....	\$1,164,770.00
Contingent Account.....	100,000.00
Profit and Loss Account.....	80,769.71
	1,345,539.71
	\$6,301,978.60

LOSS ACCOUNT 31ST DECEMBER, 1903.

CR.	
By Balance, 1st January, 1903.....	\$ 80,722.37
By Profit on Operating.....	512,210.79
	\$592,933.16
	\$592,933.16

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

ASSETS AND

FOR YEAR ENDING

ASSETS.

PERMANENT INVESTMENTS--

Patents and Contracts.....	\$	240,000.00
Factory Plants, including Peterboro' and Montreal Real Estate and Buildings, Porcelain and Carbon Works, Nassau Power Plant and Canada Foundry Properties.....		1,297,951.77
Patterns and Drawings, Peterboro' and Montreal.		60,000.00
Machinery and Tools, do.		272,025.84
		\$1,869,977.61

CASH AND CURRENT ASSETS--

Cash.....	\$	17,911.83
Accounts Receivable.....		771,982.53
Notes Receivable.....		48,285.75
Brantford Street Railway Co. Bonds.		120,000.00
Canada Foundry Co. Stock.....		299,220.00
		\$1,257,400.11
Merchandise Inventory.		916,215.04
Expenditure on Contracts, Net.....		83,101.38
Insurance Unexpired.		7,000.00
		2,268,716.53
		\$4,138,694.14

PROFIT AND

FOR YEAR ENDING

DR.

To Dividends Paid.	\$	213,739.22
To Amounts Written Off.....		120,081.78
To Transfer to Reserve Fund.....		100,000.00
To Balance at Credit 31st December, 1902.		80,722.37
		\$514,543.37

LIABILITIES

31ST DECEMBER, 1902.

LIABILITIES.

Capital Stock, Common.	\$	2,125,000.00
Capital Stock, Preferred.....		300,000.00
		\$2,425,000.00
Accounts Payable.....		263,733.06
Canadian Bank of Commerce, Current.....		365,262.97
Canadian Bank of Commerce, Special..... (Nassau Power Plant)		96,975.74
Mortgage Payable, New Office Building Property		20,000.00
Reserve Fund.....		\$787,000.00
Contingent Account.....		100,000.00
Profit and Loss		80,722.37
		967,722.37
		\$4,138,694.14

LOSS ACCOUNT

31ST DECEMBER, 1902.

CR.

By Balance, 1st January, 1902.....	\$	77,680.27
By Profit on Operating.....		436,863.10
		\$514,543.37

Certified to be correct.

TORONTO, 21st February, 1903.

LYNDHURST OGDEN,
Auditor

ASSETS AND LIABILITIES

FOR YEAR ENDING 31ST DECEMBER, 1901.

ASSETS.		LIABILITIES.
PERMANENT INVESTMENTS—		
Patents and Contracts	\$190,000.00	Capital Stock, Common
Factory Plants, including Peterboro' and Montreal Real Estate and Buildings, Porcelain and Car- bon Works, Nassau Power Plant, and Foundry Property at Toronto Junction	710,162.43	Capital Stock, Preferred
Patterns and Drawings, Peterboro' and Montreal.	45,000.00	300,000.00
Machinery and Tools, do.	229,980.60	<u>\$1,800,000.00</u>
	<u>\$1,175,143.03</u>	Accounts Payable
		Canadian Bank of Commerce, Special
		(Nassau Power Plant and Canada Foundry Purchase)
		Reserve Fund
		Contingent Account
		Profit and Loss Account
		<u>77,680.27</u>
		542,680.27
CASH AND CURRENT ASSETS—		
Cash	\$21,241.41	
Accounts Receivable	430,873.13	
Notes Receivable	35,057.97	
Brantford Street Railway Co.	120,000.00	
Canada Foundry Co. Stock	299,220.00	
	<u>\$906,392.51</u>	
Merchandise Inventory	638,781.22	
Expenditure on Contracts, Net	58,108.23	
Insurance Unexpired	3,700.00	
	<u>1,606,981.96</u>	
	<u>\$2,782,124.99</u>	
		<u>\$2,782,124.99</u>

PROFIT AND LOSS ACCOUNT

FOR YEAR ENDING 31ST DECEMBER, 1901.

DR.		CR.
To Dividends Paid	\$166,750.00	By Balance, 1st January, 1901
To Amounts Written Off.	167,598.67	By Profit on Operating
To Transfer to Contingent	100,000.00	By Premium on New Stock
To Transfer to Reserve Fund	100,000.00	
To Balance at Credit 31st December, 1901	77,680.27	
	<u>\$612,028.94</u>	
		<u>\$612,028.94</u>

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

ASSETS AND FOR YEAR ENDING

ASSETS.

PERMANENT INVESTMENTS—	
Patents and Contracts	\$ 90,000.00
Peterboro' Plant, including Real Estate, Buildings, Fixtures, Porcelain and Carbon Works	313,419.70
Patterns and Drawings.....	35,000.00
Machinery and Tools	142,683.78
	\$ 581,103.48
CASH AND CURRENT ASSETS—	
Cash.....	\$ 72,447.65
Accounts Receivable	363,413.04
Notes Receivable.....	124,169.56
London Electric Co., 1st Mortgage Bonds	100,000.00
Brantford Street Railway Co.....	120,000.00
Canada Foundry Co. Stock	297,020.00
	\$1,077,050.25
Merchandise Inventory.....	435,720.03
Work in Progress on Contracts, Net	118,377.54
Insurance Unexpired.....	1,592.78
	1,632,740.60
	\$2,213,844.08

PROFIT AND FOR YEAR ENDING

DR.

To Dividends Paid.....	\$127,623.07
To Amounts Written off Machinery, Patterns and Drawings, Accounts Receivable and other Assets	72,678.68
To Transferred to Reserve Fund.....	125,000.00
To Balance at Credit.....	71,038.91
	\$396,340.66

LIABILITIES 31ST DECEMBER, 1900.

LIABILITIES.

Capital Stock, Common	\$1,200,000.00
Capital Stock, Preferred.....	300,000.00
	\$1,500,000.00
Accounts Payable	80,785.17
Reserve Fund.....	265,000.00
Profit and Loss.....	71,038.91
Canadian Bank of Commerce Special Account..... (Temporary Loan for Canada Foundry Co. Purchase)	297,020.00
	\$2,213,844.08

LOSS ACCOUNT 31ST DECEMBER, 1900.

CR.

By Balance, 1st January, 1900.....	\$ 58,437.30
By Net Profit on Operating Account	262,903.36
By Premium on New Stock.....	75,000.00
	\$396,340.66

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

ASSETS AND

FOR YEAR ENDING

ASSETS.

PERMANENT INVESTMENTS—	
Patents and Contracts	\$100,000.00
Peterboro' Plant, including Real Estate, Buildings, Fixtures, Porcelain and Carbon Works	264,512.08
Patterns and Drawings.....	25,000.00
Machinery and Tools.....	133,081.06
	\$ 522,593.14
 CASH AND CURRENT ASSETS—	
Cash.....	\$ 36,090.28
Accounts Receivable	196,329.88
Notes Receivable	16,052.11
London Electric Co., 1st Mortgage Bonds.....	100,000.00
Brantford Street Railway Co.	120,000.00
	\$468,472.27
Merchandise Inventory	473,316.11
Work in Progress on Contracts, Net	113,483.57
Insurance Unexpired	1,400.00
	1,056,671.95
	\$1,579,265.09

LIABILITIES

31ST DECEMBER, 1899.

LIABILITIES.

Capital Stock, Common	\$ 900,000.00
Capital Stock, Preferred.....	300,000.00
	\$1,200,000.00
Accounts Payable	180,827.79
Reserve Fund.....	140,000.00
Profit and Loss.....	58,437.30
	\$1,579,265.09

PROFIT AND

FOR YEAR ENDING

DR.

To Dividends Paid.....	\$108,000.00
To Amounts Written Off Machinery, Patterns and Drawings, Accounts Receivable and other Assets	69,358.50
To Transferred to Reserve Fund	100,000.00
To Balance at Credit.....	58,437.30
	\$335,795.80

LOSS ACCOUNT

31ST DECEMBER, 1899.

CR.

By Balance, 1st January, 1899.....	\$ 53,799.94
By Net Profit on Operating Account.....	281,995.86
	\$335,795.80

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

ASSETS AND

FOR YEAR ENDING

ASSETS.

PERMANENT INVESTMENTS—	
Patents and Contracts	\$100,000.00
Peterboro' Plant, including Real Estate, Buildings, Fixtures, Porcelain and Carbon Works	257,089.52
Patterns and Drawings	25,000.00
Machinery and Tools	128,109.39
	\$510,198.91
CASH AND CURRENT ASSETS—	
Cash	\$ 28,811.71
Accounts Receivable	230,984.12
Notes Receivable	48,086.12
London Electric Co., 1st Mortgage Bonds	100,000.00
Brantford Street Railway Co.	125,000.00
	\$532,881.95
Merchandise Inventory	287,144.58
Work in Progress on Contracts, Net.....	42,486.79
Insurance Unexpired	842.90
	863,356.22
	\$1,373,555.13

LIABILITIES

31ST DECEMBER, 1898.

LIABILITIES.

Capital Stock, Common	\$ 900,000.00
Capital Stock, Preferred.....	300,000.00
	\$1,200,000.00
Accounts Payable	79,755.19
Reserve Fund.....	40,000.00
Profit and Loss.....	53,799.94
	\$1,373,555.13

PROFIT AND

FOR YEAR ENDING

DR.

To Dividends Paid	\$ 81,000.00
To Machinery Account Written Off.	50,000.00
To Balance at Credit	53,799.94
	\$184,799.94

LOSS ACCOUNT

31ST DECEMBER, 1898.

CR.

By Balance, 1st January, 1898	\$ 2,073.38
By Net Profit on Operating Account	182,726.56
	\$184,799.94

Certified to be correct.

LYNDHURST OGDEN,

Auditor.

TORONTO, 10th February, 1899.

ASSETS AND

FOR YEAR ENDING

ASSETS.

PERMANENT INVESTMENTS—

Patents and Contracts	\$ 100,000.00
Peterboro' Plant, including Real Estate, Buildings, Fixtures, Porcelain and Carbon Works	241,470.69
Patterns and Drawings	25,000.00
Machinery and Tools	154,417.17
	\$ 520,887.86

CASH AND CURRENT ASSETS—

Cash	\$ 65,309.13
Accounts Receivable	161,265.79
Notes Receivable	48,864.80
London Electric Co., 1st Mortgage Bonds	102,500.00
Brantford Street Railway Co.	125,000.00
	\$ 502,939.72
Merchandise Inventory	205,253.81
Work in Progress on Contracts, Net	48,288.83
Insurance Unexpired	888.25
	757,370.61
	\$1,278,258.47

LIABILITIES

31ST DECEMBER, 1897

LIABILITIES.

Capital Stock, Common	\$900,000.00
Capital Stock, Preferred	300,000.00
	\$1,200,000.00
Accounts Payable	36,185.09
Reserve Fund	40,000.00
Profit and Loss	2,073.38

\$1,278,258.47

PROFIT AND

FOR YEAR ENDING

DR.

To Dividends Paid	\$ 71,330.57
To Machinery Account Written Off	25,000.00
To Transferred to Reserve Fund	40,000.00
To Balance at Credit	2,073.38
	\$138,403.95
	\$138,403.95

LOSS ACCOUNT

31ST DECEMBER, 1897

CR.

By Net Profit on Operating Account	\$138,403.95
	\$138,403.95

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

TORONTO, 7th February, 1898.

**ASSETS AND
FOR YEAR ENDING**

ASSETS.	
PERMANENT INVESTMENTS—	
Patents and Contracts	\$100,000.00
Peterboro' Plant, including Real Estate, Buildings, and Porcelain and Carbon Works	236,617.94
Patterns and Drawings	25,000.00
Machinery and Tools	187,782.90
	549,400.84
CASH AND CURRENT ASSETS—	
Cash	\$ 2,416.17
Accounts Receivable	140,725.21
Notes Receivable	22,870.76
London Electric Co., 1st Mortgage Bonds	100,000.00
Brantford Street Railway Co.	123,433.79
	\$389,445.93
Merchandise Inventory	219,806.75
Work in Progress on Contracts, Net	50,559.89
Insurance Unexpired	4,750.00
	664,564.57
	\$1,213,965.41

**LIABILITIES
AT DECEMBER, 1896.**

LIABILITIES.	
Capital Stock, Common	\$300,000.00
Capital Stock, Preferred, Subscribed	\$300,000.00
Less, subject to call	55,510.00
	\$244,490.00
	\$1,144,490.00
ACCOUNTS PAYABLE—	
Canadian Bank of Commerce	\$ 32,214.48
Accounts Payable	37,258.93
	69,473.41
	\$1,213,963.41

Certified to be correct.

LYNDHURST OGDEN,
Auditor.

TORONTO, 14th February, 1897.

ASSETS AND FOR YEAR ENDING

ASSETS.	
Real Estate and Buildings	\$203,202.53
Tools and Machinery	247,749.97
Furniture and Fixtures	30,533.73
Patterns and Drawings	28,454.79
	<u>509,941.02</u>
Accounts Receivable	\$126,683.06
Bills Receivable	55,703.70
London Electric Co. Debentures	100,000.00
Cash	751.70
	<u>283,138.46</u>
Work in Progress	\$65,495.71
Merchandise per Inventory	433,413.47
	<u>498,909.18</u>
Brantford Street Railway	213,025.74
Patent Rights	302,905.03
	<u>302,905.03</u>
	<u>\$1,807,919.43</u>

LIABILITIES 29TH FEBRUARY, 1896.

LIABILITIES.	
Capital Stock	\$1,469,840.00
Canadian Bank of Commerce	198,070.62
Accounts Payable	41,249.63
Contingent Account	90,000.00
Profit and Loss Account	8,759.18
	<u>\$1,807,919.43</u>

PROFIT AND FOR 18 MONTHS ENDING

DR.	
To Dividend 3%, February 29th, 1895	\$43,915.20
To Dividend 3%, August 31st, 1895	44,067.09
To Balance, February 29th, 1896	8,759.18
	<u>\$96,741.47</u>

LOSS ACCOUNT 29TH FEBRUARY, 1896.

CR.	
By Balance, 31st August, 1894	\$18,183.20
By Net Profit of Operating for 18 months, ending 29th February, 1896	78,558.27
	<u>\$96,741.47</u>

Certified correct.

W. S. ANDREWS, F.C.A.,
Comptroller.

ASSETS AND FOR YEAR ENDING

ASSETS.	
Real Estate and Buildings	\$ 186,664.24
Tools and Machinery	230,836.32
Furniture and Fixtures	29,941.83
Patterns and Drawings	21,794.47
Merchandise	464,361.70
Work in Progress, Contracts Unfinished	152,206.36
Patent Rights	301,140.95
Brantford Street Railway and Lighting Co.	166,220.65
Stocks and Bonds, Estimated Value	10,000.00
Bills Receivable	17,668.13
Accounts Receivable	164,125.40
Cash in Bank and Office	2,827.51
	<u>\$1,747,787.65</u>

LIABILITIES 31ST AUGUST, 1894.

LIABILITIES.	
Capital Stock	\$1,463,840.00
Bills Payable	60,000.00
Accounts Payable	27,995.92
Dividend to 31st August, 1894	87,768.53
Contingent Account	90,000.00
Profit and Loss Account	18,183.20
	<u>\$1,747,787.65</u>

PROFIT AND FOR YEAR ENDING

DR.	
To Dividend at 6% per Annum, 31st August, 1894	\$ 87,768.53
To Transferred Contingent	40,000.00
To Balance	18,183.20
	<u>\$145,951.73</u>

LOSS ACCOUNT 31ST AUGUST, 1894.

CR.	
By Balance, 1st September, 1893	\$ 13,425.74
By Net Profit of Operating Year ending 31st August, 1895	132,525.99
	<u>\$145,951.73</u>

Certified correct.

W. S. ANDREWS, F.C.A.,
Comptroller.

DIVIDENDS.

The following table sets forth the Dividends that have been paid on the Common Stock of the Company since 1893. For the year 1896 no Dividend was paid, owing to the revision of the contract with the General Electric Company, under which they surrendered a portion of the Common Stock at that time held by them in exchange for a lesser quantity of Preferred Stock —

1893.....	6%.....	\$	85,641.41
1894.....	6%.....		87,768.53
1895.....	6%.....		87,982.29
1897.....	6%.....		71,330.57
1898.....	8%.....		81,000.00
1899.....	10%.....		108,000.00
1900.....	10%.....		127,623.07
1901.....	10%.....		166,750.00
1902.....	10%.....		213,739.22
1903.....	10%.....		269,277.98
1904.....	10%.....		284,890.00
1905.....	10%.....		335,499.11
1906.....	10%.....		484,690.14
Total.....			\$2,404,192.32

SURPLUS.

Surplus at 31st December, 1906..... \$1,969,354.39



