

# CANADIAN GENERAL ELECTRIC COMPANY LIMITED



## ANNUAL REPORT

# 1920

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Head Office, 212 King St. W., Toronto.



Warehouse and Showroom, 214-218 King St. W., Toronto.

# Annual Report of the Board of Directors

for the Year ended  
Dec. 31st, 1920



Canadian General Electric Company  
Limited

**CANADIAN GENERAL ELECTRIC COMPANY  
LIMITED**

**AND SUBSIDIARY COMPANIES**

**GENERAL OFFICES**

212-218 KING STREET WEST, TORONTO, ONT.  
(COR. KING AND SIMCOE STREETS)

**DISTRICT OFFICES**

HALIFAX, N.S.	WINDSOR, ONT.
SYDNEY, N.S.	COBALT, ONT.
ST. JOHN, N.B.	SOUTH PORCUPINE, ONT.
MONTREAL, QUE.	WINNIPEG, MAN.
QUEBEC, QUE.	CALGARY, ALTA.
SHERBROOKE, QUE.	EDMONTON, ALTA.
OTTAWA, ONT.	NELSON, B.C.
HAMILTON, ONT.	VANCOUVER, B.C.
LONDON, ONT.	VICTORIA, B.C.

**FACTORIES**

**CANADIAN GENERAL ELECTRIC CO., LIMITED**

PETERBORO, ONT. TORONTO, ONT.

**TUNGSTEN AND CARBON LAMP WORKS**

TORONTO, ONT. MONTREAL, QUE.

**CANADIAN ALLIS-CHALMERS, LIMITED**

TORONTO, ONT. BRIDGEBURG, ONT.  
MONTREAL, QUE. STRATFORD, ONT.

**ARCHITECTURAL BRONZE AND IRON WORKS,**

**TORONTO**

# CANADIAN GENERAL ELECTRIC COMPANY LIMITED

## DIRECTORS

LT.-COL. THE HON. FREDERIC NICHOLLS, *President and General  
Manager*

A. E. DYMENT, *Vice-President and Chairman of the Board.*

J. J. ASHWORTH.

SIR HERBERT HOLT.

GEORGE W. BEARDMORE.

SIR JAMES LOUGHEED, K.C.M.G.

H. C. COX.

W. L. MATTHEWS.

STEPHEN HAAS.

SIR WILLIAM MACKENZIE.

COL. THE HON.

F. GORDON OSLER.

SIR J. S. HENDRIE, C.V.O.

W. G. ROSS.

## ASSISTANT GENERAL MANAGER

J. J. ASHWORTH.

## SECRETARY

W. H. NESBITT.

## BANKERS

THE BANK OF MONTREAL.

THE CANADIAN BANK OF COMMERCE.

THE DOMINION BANK.

## STOCK TRANSFER AGENTS

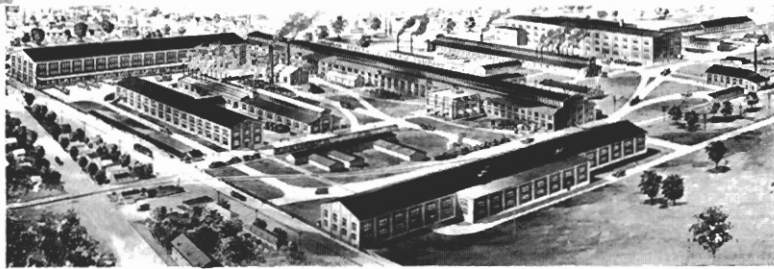
NATIONAL TRUST CO., LIMITED, TORONTO.

NATIONAL TRUST CO., LIMITED, MONTREAL.

CANADIAN BANK OF COMMERCE, LONDON, ENGLAND.

## DIRECTORS

- LT.-COL. THE HON. FREDERIC NICHOLLS, President.  
VICE-PRESIDENT, TORONTO RAILWAY COMPANY.  
VICE-PRESIDENT, DOMINION STEEL CORPORATION, LTD.
- A. E. DYMENT, Vice-President and Chairman of the Board.  
DIRECTOR, ROYAL BANK OF CANADA.  
PRESIDENT, DYMENT SECURITIES, LOAN AND SAVINGS CO.
- J. J. ASHWORTH, Director.  
DIRECTOR, CANADIAN EDISON APPLIANCE CO., LTD.  
DIRECTOR, CANADIAN ALLIS-CHALMERS, LTD.
- GEORGE W. BEARDMORE, Director.  
OF MESSRS. BEARDMORE & CO.  
VICE-PRESIDENT, THE NATIONAL LIFE ASSURANCE CO. OF CANADA.
- H. C. CON, Director.  
PRESIDENT, CANADA LIFE ASSURANCE COMPANY.  
DIRECTOR, CANADIAN BANK OF COMMERCE.
- STEPHEN HAAS, Director.  
VICE-PRESIDENT, UNION BANK OF CANADA.  
PRESIDENT, GEO. H. HEES, SON & CO.
- COL. THE HON. SIR J. S. HENDRIE, C.V.O., Director.  
PRESIDENT, BANK OF HAMILTON.  
PRESIDENT, HAMILTON BRIDGE WORKS COMPANY.
- SIR HERBERT HOLT, Director.  
PRESIDENT, ROYAL BANK OF CANADA.  
PRESIDENT, THE CIVIC INVESTMENT AND INDUSTRIAL COMPANY.
- SIR JAMES LOUGHEED, K.C.M.G., Director.  
DIRECTOR, CANADA LIFE ASSURANCE CO.  
DIRECTOR, CANADA SECURITY ASSURANCE CO.
- SIR WILLIAM MACKENZIE, Director.  
CHAIRMAN, BRAZILIAN TRACTION, LIGHT AND POWER CO.  
PRESIDENT, TORONTO RAILWAY COMPANY.
- W. L. MATTHEWS, Director.  
DIRECTOR, DOMINION BANK.  
DIRECTOR, CONFEDERATION LIFE ASSOCIATION.
- F. G. OSLER, Director.  
DIRECTOR, CANADA PERMANENT MORTGAGE CORPORATION.  
DIRECTOR, MANUFACTURERS LIFE INSURANCE COMPANY.
- W. G. ROSS, Director.  
PRESIDENT, MONTREAL HARBOUR COMMISSION.  
PRESIDENT, ASBESTOS CORPORATION OF CANADA, LIMITED.



Main Electrical Works, Peterboro, Ont.

## ANNUAL REPORT OF THE DIRECTORS

TO BE SUBMITTED TO THE SHAREHOLDERS AT THE  
ANNUAL GENERAL MEETING OF THE COMPANY IN TORONTO,  
ON MONDAY, MARCH 21st, 1921.

Your Directors in submitting their Annual Report for the year ended 31st December, 1920, have pleasure in drawing attention to the fact that the past year has been one of the most progressive and prosperous in the history of the Company.

In the Annual Report for the year 1919 our Shareholders were advised that owing to the period of reconstruction which ensued after the Armistice conditions were far from encouraging, but that during the last six months of 1919 our orders exceeded any similar previous period. Fortunately that growth in the volume of business accepted by the Company both continued and increased during the year 1920, and at the close of the year there were carried over uncompleted contracts amounting to seven and a half million dollars.

The Profit for the year amounted to \$2,213,731.14, from which is deducted the sum of \$326,300.14 for interest and \$530,741.95 which has been reserved for Depreciation, leaving a net Profit of \$1,356,689.05. Dividends at the rate of 8% per annum and a Bonus of 2% were paid on the Common Stock and 7% on the Preference Stock of the Company, leaving a balance of \$342,574.80 carried to the



Canadian Allis-Chalmers, Limited, Toronto, Ont.

credit of Profit and Loss account, which added to the balance of \$136,097.48 brought forward from the previous year makes a total of \$778,672.28 at the credit of that account. This amount, together with our Reserve of \$5,000,000.00, makes a total Surplus of \$5,778,672.28.

While Dividends have been earned and paid since the Company was first organized, your Directors have always been careful to set aside from year to year an adequate sum for Depreciation and Reserve. As a result of this conservative policy continued over a long period the amount at the credit of Depreciation Reserve stands at \$5,091,949.40, and the amount at the credit of Surplus account stands at \$5,778,672.28. Having in mind the fact that our Shareholders in the past have been agreeable to the policy of a reasonable distribution of the profits earned, in order that the Company might build up a substantial Reserve, it is proposed to submit to the Shareholders at a Special General Meeting to be called for the purpose, a proposition whereby a portion of our accumulated Surplus may now be distributed to the Common Stock Holders in the form of a Stock Dividend of 20%.

A record of Dividends paid out since 1893 will be found on page 17. This amount added to the Reserve set aside for Depreciation, and the Surplus which has been accumulated, aggregates the sum of \$22,685,818.07.

With regard to our Inventory, your Directors have adopted a conservative policy. All active materials have





Architectural Bronze and Iron Works, Toronto, Ont.

been taken at or below cost; any goods that may be considered obsolete have been taken at the scrap value, and adequate reserves have been provided to guard against any shrinkage in value.

The Company has no outstanding Bonds, Debentures, Mortgages or prior liens of any description, other than a nominal charge of \$63,750.00 on properties purchased, and on which existing Mortgages still current are not yet due.

While the amount at the credit of Current Accounts and Bills Payable is in excess of last year, this has been caused by the increase in our Inventory of raw materials, Work in Progress, Pay Rolls, etc., necessitated by the increased volume of orders booked. On the other hand the liquid condition of the Company's Assets may be noted, the total of our liquid Assets amounting to \$16,081,601.04, or nearly \$8,000,000.00 in excess of our current Liabilities.

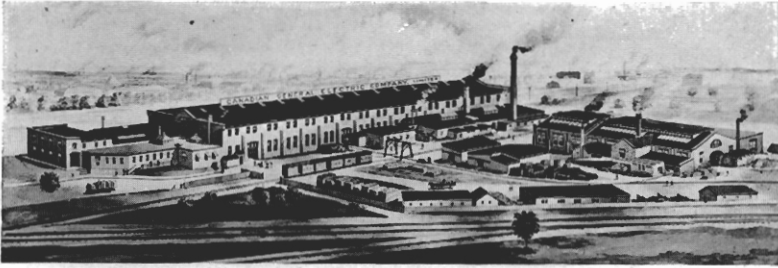
In our last Annual Report, Shareholders were advised that owing to the manufacturing and distributing facilities of the Company being overtaxed additions and extensions had been authorized. These are now practically completed and equipped, at a cost of \$1,890,775.81, and will enable us to manufacture to greater advantage. The total floor area of our several manufacturing plants is 2,055,461 square feet, and our Pay Roll for 1920 amounted to over \$6,000,000.00.



Carbon and Tungsten Lamp Works, Toronto, Ont.

The outlook for the electrical industry is most promising, as the demand for hydro-electric power is greatly in excess of the supply. The reason for this condition, favorable to the electrical industry, is because the use of electric power leads to more economical operation of industries and public utilities, and the convenient use of numerous household appliances for heating, cooking, lighting, etc. A survey of Canada's available water power shows nearly 20,000,000 horse power available, of which only about 2,000,000 horse power has been utilized, but other powers will be developed as the need arises, and will afford a growing and continuing market for electrical machinery and appliances.

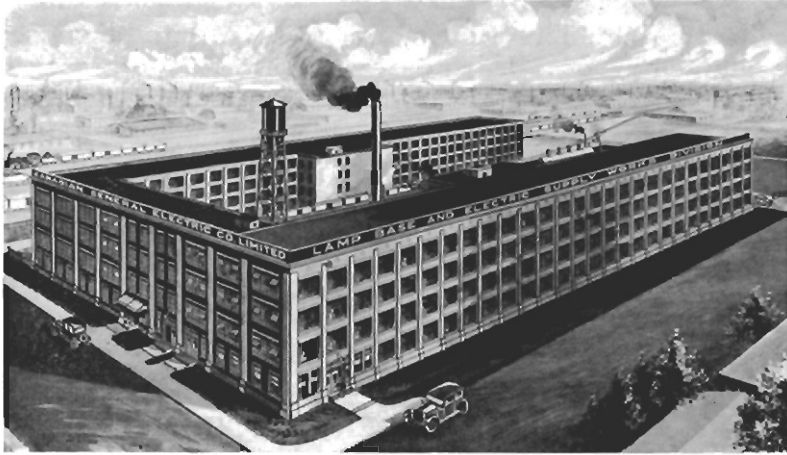
In concluding this Report, which I am signing on behalf of the Directors as President and General Manager of the Company, I have to say that I do so for the last time, having decided to retire from these responsible positions. Since I organized a syndicate thirty-three years ago, for the purpose of investigating the possibilities of the electrical industry as a field for investment, I have maintained a policy of personal control and direction of all details of the business, large and small. The Capital of the original syndicate, from which our present Company sprung, was \$10,000.00, whereas our Assets to-day are over \$31,000,000.00. This remarkable growth necessitated a corresponding increase in responsibilities, and I have concluded that it is not only fair to myself to ask for a measure of relief, but also none the less fair to the interests



King St. Subway Electrical Works, Toronto, Ont.

of the Shareholders that younger men should succeed me and carry on. During my long period of service I have been fortunate in maintaining the respect and confidence of your Directors with whom it has been my privilege to be associated in our mutual efforts towards building up a great and prosperous Canadian industry, and they have expressed the desire that I accept the position of Chairman of the Board of Directors, in which position I will be able to continue to keep in touch with the affairs of the Company, and my services will be available for assistance and advice when required.

FREDERIC NICHOLLS,  
President.



**Lamp Base and Electrical Supply Works Division,  
Wallace Ave., Toronto, Ont.**

# CERTIFICATE OF CHARTERED ACCOUNTANTS

MONTREAL  
TORONTO  
WINNIPEG  
VANCOUVER

BUENOS AIRES  
RIO DE JANEIRO  
VALPARAISO

LONDON  
PARIS  
ROTTERDAM

CAIRO  
ALEXANDRIA

CABLE ADDRESS: "PRICEWATER," TORONTO

**PRICE, WATERHOUSE & CO.**

CHARTERED ACCOUNTANTS

NEW YORK  
CHICAGO  
PHILADELPHIA  
BOSTON  
ST. LOUIS  
PITTSBURG  
CLEVELAND  
DETROIT  
MILWAUKEE  
SAN FRANCISCO  
LOS ANGELES  
SEATTLE

Royal Bank Building,  
Toronto, February 21st, 1921.

To the Shareholders

of the Canadian General Electric Company, Limited.

We have examined the books and accounts of the Canadian General Electric Company, Limited, and of its subsidiary Companies, for the year ending December 31st, 1920, and have obtained all the information and explanations which we required.

The charges during the year to the Property Accounts represent only actual additions, extensions or permanent improvements, and sufficient provision has been made for depreciation of Plant and Equipment.

The inventories of Raw Material, Supplies, Work-in-Progress and Manufactured Products were taken in accordance with the Company's usual custom, and have been certified to by responsible officials. The valuations have been accurately made at cost or market value, whichever was lower, and reserves are carried to provide against shrinkage in values.

Full provision has been made for Doubtful Accounts Receivable, and for all ascertainable liabilities.

The cash on hand, Investments and the Bank Balances have been verified by actual inspection or by properly certified statements.

We certify that in our opinion the attached Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given us, and as shown by the Books of the Company.

PRICE, WATERHOUSE & COMPANY,  
Auditors.

CANADIAN GENERAL ELEC  
AND SUBSIDIARY  
CONSOLIDATED BALANCE

TRIC COMPANY, LIMITED  
COMPANIES  
SHEET, 31st DECEMBER, 1920

ASSETS.

CAPITAL ASSETS

Land, Buildings, etc., at Toronto, Peterboro, Bridgeburg, Stratford, Montreal, Branch Offices, and Power Plant at Nassau	\$8,280,299.53
Machinery and Tools	5,553,628.96
Patterns and Drawings	918,128.38
Patents, Contracts and Goodwill	1.00
<b>Total Capital Assets</b>	<b>\$14,752,057.87</b>

CURRENT ASSETS

Inventory of Raw Material, Supplies, Work in Pro- gress and Finished Ma- terials, including expen- ditures on Contracts (less collections on account)	\$9,892,969.55
Accounts Receivable (less Reserve for Doubtful Accounts)	1,757,912.17
Mortgages Receivable	90,000.00
Investments	891,086.30
Cash on hand and in Banks	313,821.29
Prepaid Insurance Prem- iums, etc	102,781.73
<b>Total Current Assets</b>	<b>16,081,601.01</b>

\$30,833,661.91

LT.-COL. THE HON. FREDERIC NICHOLLS, President.  
A. E. DYMENT, Vice-President.

LIABILITIES.

CAPITAL STOCK

Common Authorized	\$10,000,000.00
Issued	\$ 8,754,400.00
Preferred - Authorized and Issued	2,000,000.00
	<u>\$10,754,400.00</u>

MORTGAGE OBLIGATIONS ON PROPERTIES PURCHASED	63,750.00
CONTINGENT LIABILITIES	509,667.57
CURRENT ACCOUNTS AND BILLS PAYABLE	8,163,215.07
DIVIDEND ON COMMON STOCK ACCRUED, paid January 1st, 1921	171,977.59
RESERVE FOR DEPRECIATION	5,091,949.40
SURPLUS per Account Annexed-	
Reserve	\$5,000,000.00
Profit and Loss	778,672.28
	<u>5,778,672.28</u>

\$30,833,661.91

With our Report to the Shareholders dated 21st February,  
1921, appended hereto.

PRICE, WATERHOUSE & CO.,  
Auditors.



Canadian Allis-Chalmers, Limited, Bridgeburg, Ont.

### CONSOLIDATED SURPLUS ACCOUNT.

Profit for the year ended December 31st, 1920, before providing for Depreciation and Interest on borrowed Capital.....	\$2,213,731.14
Less—	
Reserve for Depreciation of Plant and Equipment.....	\$530,741.95
Interest on borrowed Capital.....	326,300.14
	857,042.09
Net Profit for the Year.....	\$1,356,689.05
Less—Dividends Paid: 8% and bonus of 2% on Common, and 7% on Preferred Stock .....	1,014,114.25
Surplus for the Year.....	\$ 342,574.80
Add—	
Undivided Profits as at December 31st, 1919.....	436,097.48
Balance at credit Profit and Loss .....	\$ 778,672.28
Reserve.....	5,000,000.00
Surplus per Balance Sheet.....	\$5,778,672.28



Canadian-Allis Chalmers, Limited, Montreal, Que

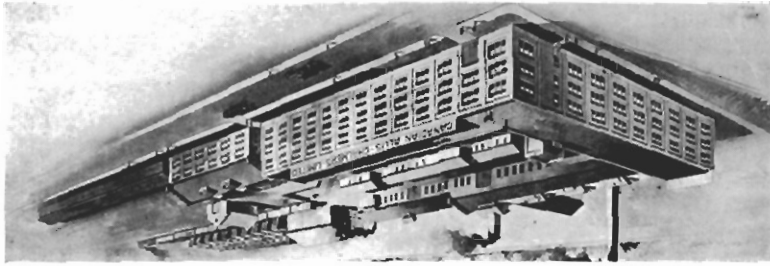
## DIVIDENDS

The following table sets forth the Dividends that have been paid since 1893:

1893	6 <sup>c</sup> / <sub>100</sub>	\$	85,641.41
1894	6 <sup>c</sup> / <sub>100</sub>		87,768.53
1895	6 <sup>c</sup> / <sub>100</sub>		87,982.29
1897	6 <sup>c</sup> / <sub>100</sub>		71,330.57
1898	8 <sup>c</sup> / <sub>100</sub>		81,000.00
1899	10 <sup>c</sup> / <sub>100</sub>		108,000.00
1900	10 <sup>c</sup> / <sub>100</sub>		127,623.07
1901	10 <sup>c</sup> / <sub>100</sub>		166,750.00
1902	10 <sup>c</sup> / <sub>100</sub>		213,739.22
1903	10 <sup>c</sup> / <sub>100</sub>		269,277.98
1904	10 <sup>c</sup> / <sub>100</sub>		284,890.00
1905	10 <sup>c</sup> / <sub>100</sub>		335,499.11
1906	10 <sup>c</sup> / <sub>100</sub>		484,690.14
1907	10 <sup>c</sup> / <sub>100</sub>		488,000.00
1908	7 <sup>c</sup> / <sub>100</sub>		439,042.30
1909	7 <sup>c</sup> / <sub>100</sub>		469,000.00
1910	7 <sup>c</sup> / <sub>100</sub>		494,624.83
1911	7 <sup>c</sup> / <sub>100</sub>		525,109.37
1912	7 <sup>c</sup> / <sub>100</sub> and 1 <sup>c</sup> / <sub>100</sub> Bonus.		689,871.80
1913	7 <sup>c</sup> / <sub>100</sub> and 1 <sup>c</sup> / <sub>100</sub> Bonus.		776,634.17
1914	7 <sup>c</sup> / <sub>100</sub>		696,741.13
1915	7 <sup>c</sup> / <sub>100</sub>		698,022.32
1916	8 <sup>c</sup> / <sub>100</sub>		779,843.90
1917	8 <sup>c</sup> / <sub>100</sub>		780,000.00
1918	8 <sup>c</sup> / <sub>100</sub>		780,000.00
1919	8 <sup>c</sup> / <sub>100</sub>		780,000.00
1920	8 <sup>c</sup> / <sub>100</sub> and 2 <sup>c</sup> / <sub>100</sub> Bonus..		1,014,114.25
Total Dividends			\$11,815,196.39
Reserve for Depreciation			5,091,949.40
Surplus			5,778,672.28
Total			<u>\$22,685,818.07</u>

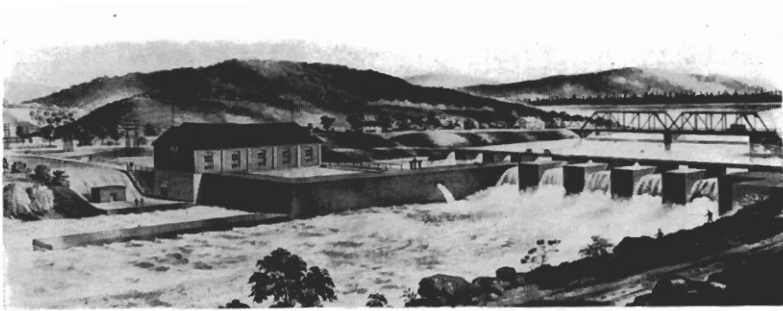


Canadian Alloys-Chalmers, Limited, Stratford, Ont.



Electrical Porcelain Works, Peterboro, Ont.



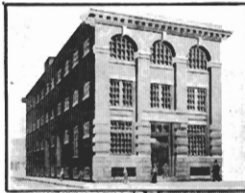


Power House No. 1, Peterboro, Ont.



Power House No. 2, Peterboro, Ont.

OFFICES & WAREHOUSES  
CANADIAN GENERAL ELECTRIC COMPANY, LIMITED.



WINNIPEG, MAN.



NELSON B. C.



VANCOUVER, B. C.



OTTAWA, ONT.



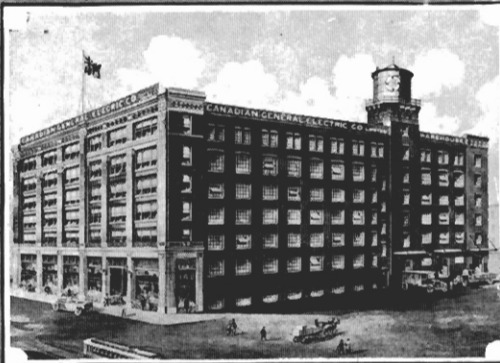
MONTREAL, QUE.



LONDON, ONT.



WINDSOR - ONT.



TORONTO WAREHOUSE & SHOW ROOMS



SHERBROOKE - QUE.



COBALT ONT.



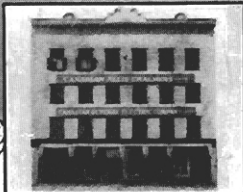
CALGARY ALTA.



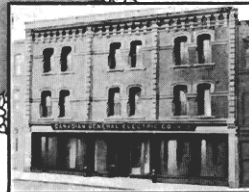
HALIFAX, N.S.



S. PORCUPINE ONT.



QUEBEC QUE.



ST. JOHN N.B.

