

CANADIAN GENERAL ELECTRIC COMPANY LIMITED



ANNUAL REPORT

1923

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Annual Report
of the Board of Directors

for the Year ended
December 31st, 1923



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.

COBALT, ONT.

SYDNEY, N.S.

SOUTH PORCUPINE, ONT.

ST. JOHN, N.B.

WINNIPEG, MAN.

MONTREAL, QUE.

CALGARY, ALTA.

QUEBEC, QUE.

EDMONTON, ALTA.

OTTAWA, ONT.

NELSON, B.C.

HAMILTON, ONT.

VANCOUVER, B.C.

LONDON, ONT.

VICTORIA, B.C.

WINDSOR, ONT.

WORKS

CANADIAN GENERAL ELECTRIC CO., LIMITED

PETERBORO, ONT. STRATFORD, ONT. TORONTO, ONT.

TUNGSTEN AND CARBON LAMP WORKS

TORONTO, ONT.

CANADIAN ALLIS-CHALMERS, LIMITED

TORONTO, ONT.

BRIDGEBURG, ONT.

MONTREAL, QUE.

STRATFORD, ONT.

ARCHITECTURAL BRONZE AND IRON WORKS

TORONTO

**CANADIAN GENERAL ELECTRIC COMPANY
LIMITED**

DIRECTORS

A. E. DYMENT, President

STEPHEN HAAS, Vice-President

J. J. ASHWORTH, General Manager

GEORGE W. BEARDMORE

F. GORDON OSLER

H. C. COX

E. G. PATTERSON

SIR HERBERT HOLT

SIR WILLIAM PRICE

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

W. G. ROSS

W. L. MATTHEWS

W. D. ROSS

A. M. STEWART, K.C.

ASSISTANT GENERAL MANAGER

J. A. BREMNER

TREASURER

A. E. GUEST

SECRETARY

W. H. NESBITT

BANKERS

THE BANK OF MONTREAL

THE CANADIAN BANK OF COMMERCE

THE DOMINION BANK

ROYAL BANK OF CANADA

STOCK TRANSFER AGENTS

NATIONAL TRUST CO., LIMITED, TORONTO AND MONTREAL

THE CANADIAN BANK OF COMMERCE, LONDON, ENGLAND

REGISTRARS

MONTREAL TRUST CO., TORONTO AND MONTREAL

THE CANADIAN BANK OF COMMERCE, LONDON, ENGLAND

DIRECTORS

A. E. DYMENT, PRESIDENT.

DIRECTOR, ROYAL BANK OF CANADA.
VICE-PRESIDENT, DOMINION SUGAR CO.

STEPHEN HAAS, VICE-PRESIDENT.

PRESIDENT, GEO. H. HEES, SON & CO.
VICE-PRESIDENT, UNION BANK OF CANADA.

J. J. ASHWORTH, GENERAL MANAGER.

DIRECTOR, CANADIAN ALLIS-CHALMERS, LTD.

GEORGE W. BEARDMORE,

OF MESSRS. BEARDMORE & CO.
PRESIDENT, THE NATIONAL LIFE ASSURANCE CO. OF
CANADA.

H. C. COX,

PRESIDENT, CANADA LIFE ASSURANCE COMPANY.
DIRECTOR, CANADIAN BANK OF COMMERCE.

SIR HERBERT HOLT,

PRESIDENT, MONTREAL LIGHT, HEAT AND POWER
CONSOLIDATED.
PRESIDENT, ROYAL BANK OF CANADA.

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

DIRECTOR, CANADA LIFE ASSURANCE CO.
DIRECTOR, CANADA SECURITY ASSURANCE CO.

W. L. MATTHEWS,

DIRECTOR, DOMINION BANK.
DIRECTOR, CONFEDERATION LIFE ASSOCIATION.

F. G. OSLER,

DIRECTOR, CANADA PERMANENT MORTGAGE CORPORATION.
DIRECTOR, MANUFACTURERS LIFE INSURANCE COMPANY.

E. G. PATTERSON.

SIR WILLIAM PRICE,

PRESIDENT, PRICE BROS. & CO., LTD.
HON. PRESIDENT, UNION BANK OF CANADA.

W. D. ROSS,

VICE-PRESIDENT, WM. A. ROGERS LTD.
DIRECTOR, BANK OF NOVA SCOTIA.

W. G. ROSS,

PRESIDENT, ASBESTOS CORPORATION OF CANADA, LTD.
DIRECTOR, MONTREAL TRAMWAYS COMPANY.

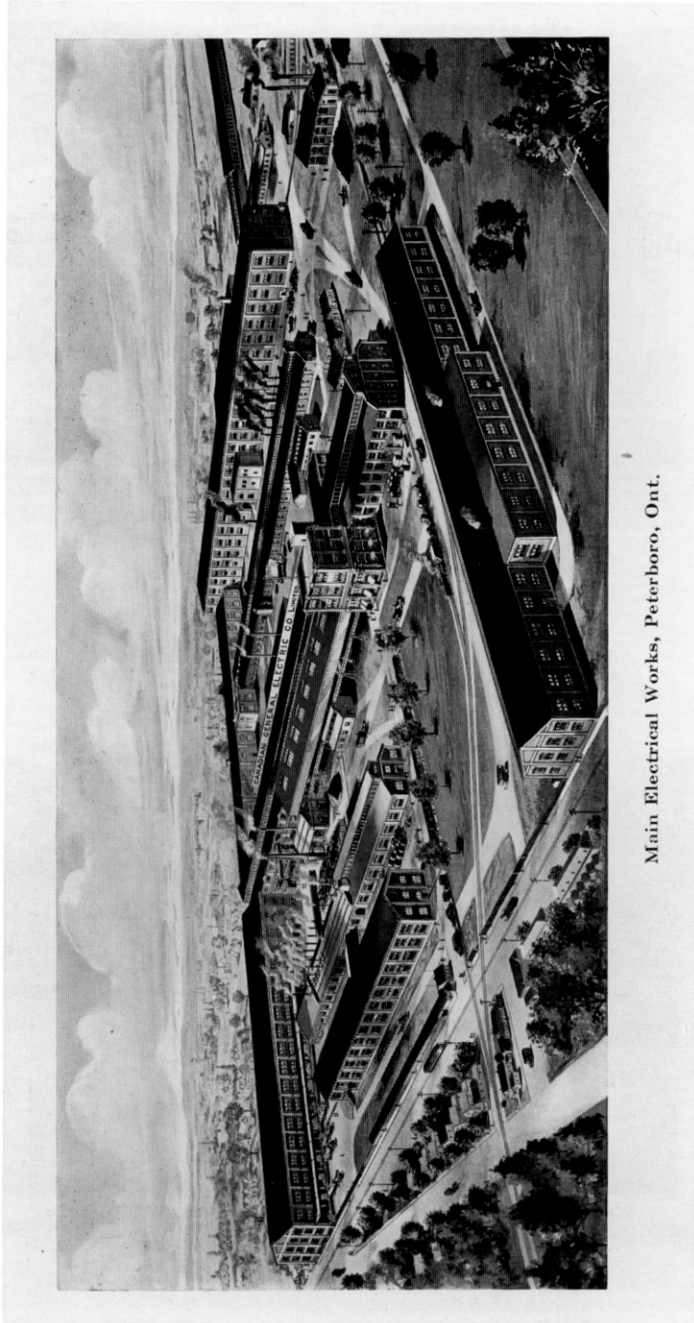
A M. STEWART, K.C.



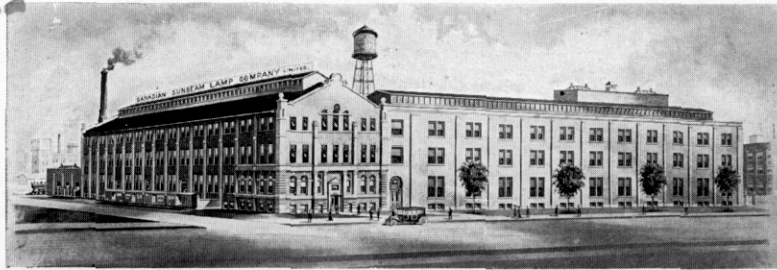
Head Office, 212 King St. W., Toronto



Warehouse and Show Rooms, 214-218 King St. W., Toronto



Main Electrical Works, Peterboro, Ont.



Tungsten and Carbon Lamp Works, Toronto, Ont.

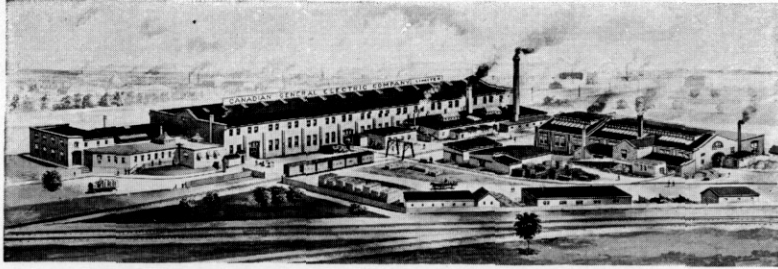
ANNUAL REPORT OF THE DIRECTORS.

TO BE SUBMITTED TO THE SHAREHOLDERS AT THE
ANNUAL GENERAL MEETING OF THE COMPANY IN TORONTO
ON WEDNESDAY, MARCH 26th, 1924.

Your Directors submit herewith to the Shareholders the Balance Sheet of the Company as upon the 31st day of December, 1923, the combined statement of Profit and Loss for the year, and the certificate of Messrs. Price, Waterhouse & Company, Chartered Accountants.

In our last Annual Report mention was made of increasing activity during the last three months of that year and of a marked improvement in volume of orders received immediately after its close, which indicated that the results of the year 1923 would be more satisfactory.

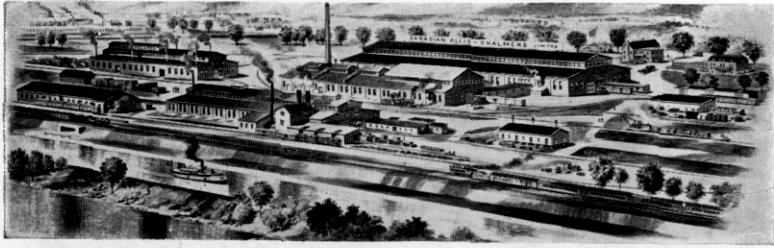
The situation developed along the lines expected, and our bookings for the year under review were very much larger than they were for 1922, in fact, the largest in the Company's history with the exception of 1920, but this increase in business secured has not as yet been entirely reflected in our Profit and Loss Account. In the electrical industry, owing to the length of time required to fabricate



King St. Subway Works, Toronto, Ont.

the heavy machinery and equipment for the large power developments, it is frequently many months, in some instances one to two years, before the profits accruing from such contracts can be taken into account and appear in the Balance Sheet, consequently, the current year will benefit by the large volume of business carried over from 1923; but owing to the abnormal cost of doing business in this country, and with the keen competition that there is in the electrical industry, the percentage of profit is not what it should be, considering the technical knowledge and large capital required.

The Profit and Loss statement now submitted shows a profit of \$1,482,234.42 earned, from which is deducted a provision of \$400,000.00 for depreciation of plants, and the sum of \$404,151.55 for interest charges, leaving a net profit of \$678,082.87, which has been carried to the credit of Surplus and Profit and Loss Account, making a total credit of \$7,498,494.10. Dividends at the rate of 6% per annum on the Common Stock and 7% per annum on the Preference Stock have been paid to the amount of \$787,985.00, and in addition, a dividend of 1 $\frac{3}{4}$ %, amounting to \$35,000.00, was paid on the Preference Stock for the three months ending December 31st, 1923, when this stock was redeemed, which would not have been paid until April 1st, 1924, except for the stock transaction with the



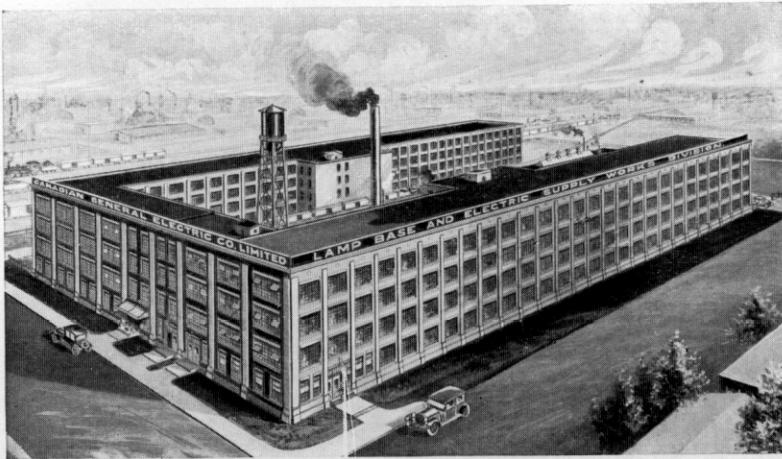
Canadian Allis-Chalmers, Limited, Montreal, Que.

In this connection it is proper for me at this time to say that having in mind the possible expansion of the electrical industry in Canada and the necessity of extending our manufacturing facilities, it is probable that for some time it will be prudent for us to conserve our cash resources and to use our surplus earnings after the payment of dividends on the Preferred Stock to provide for such extensions rather than for the payment of dividends on the Common Stock of the Company.

It is with pleasure that I express my appreciation of the hearty co-operation of the Board of Directors and of the valuable services rendered by the officers and employees of the Company during the year.

On behalf of the Directors, I beg to move that the Balance Sheet as at 31st December, 1923, and the Consolidated Surplus Account as certified to by the Auditors, and the Report of the Directors to the Shareholders be and are hereby received and adopted.

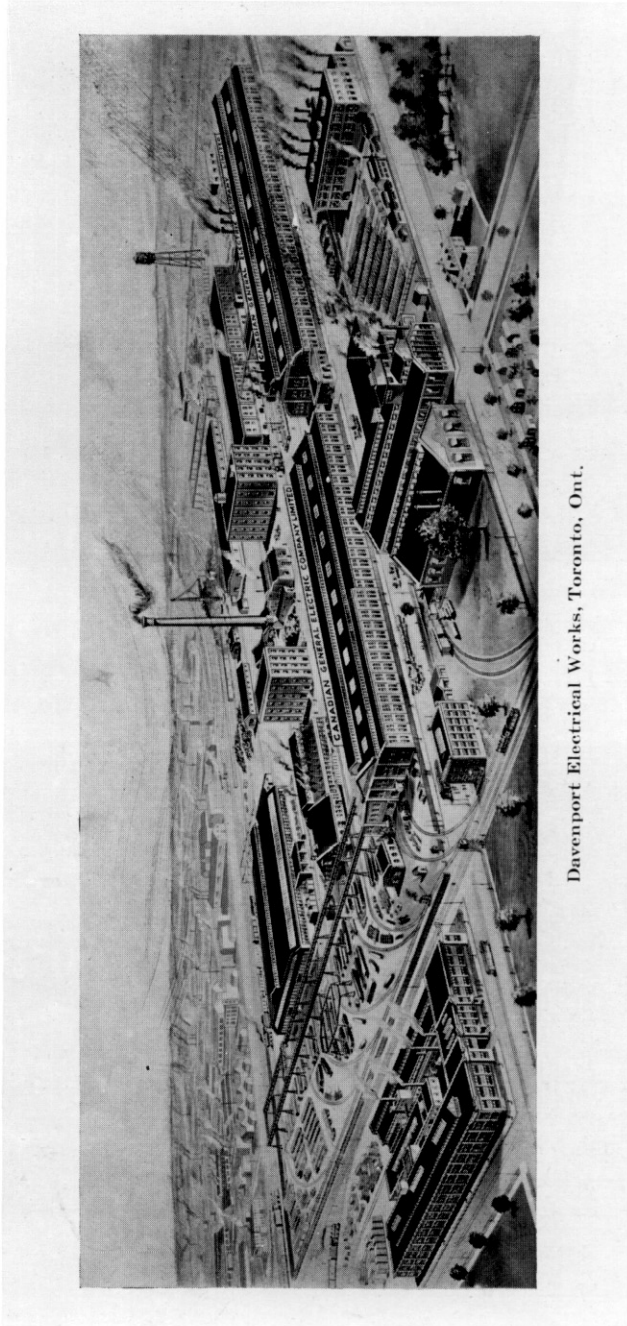
A. E. DYMENT,
President.



Ward Street Works, Toronto, Ont.
(Electrical Wiring Devices)



Hotpoint Works, Stratford, Ont.
(Electric Household Appliances)



Davenport Electrical Works, 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, March 7th, 1924.

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, 1923, 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 a provision of \$400,000.00 has been made from the operations of the year towards depreciation of Plants.

The inventories of Raw Material, Supplies, Work in Progress and Manufactured Products at the Plants 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. A substantial reserve is carried against stocks at Warehouses which are now being physically inventoried.

Adequate 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 ELECTRIC COMPANY, LIMITED
AND SUBSIDIARY COMPANIES
CONSOLIDATED BALANCE SHEET, 31st DECEMBER, 1923

ASSETS.

Capital Assets—	
Land, Buildings, etc., at Toronto, Peterboro, Bridgeburg, Stratford, Montreal, Branch Offices and Power Plant at Nassau	\$12,024,728.29
Machinery and Tools	7,973,231.99
Patterns and Drawings	1,131,124.57
Patents, Contracts and Goodwill	1.00
Total Capital Assets	<u>\$21,129,085.85</u>
Current Assets—	
Inventory of Raw Materials, Supplies, Work in Progress and Finished Materials, including expenditures on Contracts (less collections on account)	\$7,148,390.95
Accounts Receivable (less Reserve for Doubtful Accounts)	4,486,524.44
Mortgages Receivable	75,000.00
Investments	654,774.71
Cash on hand and in Banks ..	429,445.71
Total Current Assets	<u>\$12,794,135.81</u>
Deferred Charges—	
Balance Debenture Discount, Unexpired Insurance, etc.	342,515.69
	<u><u>\$34,265,737.35</u></u>

A. E. DYMENT, President.
STEPHEN HAAS, Vice-President.

LIABILITIES.

Capital Stock—	
Common—Authorized	<u>\$18,000,000.00</u>
Common—Issued	\$12,800,000.00
Twenty Year 6% Gold Debentures—	
Authorized	<u>\$10,000,000.00</u>
Issued	5,000,000.00
Mortgage obligations on Properties Purchased	56,250.00
Deferred and Contingent Liabilities	374,332.04
Current Accounts and Bills Payable	3,790,263.97
Dividend on Common Stock Accrued, Paid January 1st, 1924	161,998.50
Reserve for Depreciation	5,453,123.98
Surplus per Account Annexed	6,629,768.86
	<u><u>\$34,265,737.35</u></u>

With our Report to the Shareholders dated 7th March, 1924, appended hereto.

PRICE, WATERHOUSE & CO.,
Auditors.

CONSOLIDATED SURPLUS ACCOUNT.

Profit for the year ended December 31st, 1923, before providing for Depreciation and Interest charges	\$1,482,234.42
Less—	
Depreciation	\$400,000.00
Interest and Exchange	404,151.55
	804,151.55
Net Profit for the Year	\$678,082.87
Add—	
Surplus as at December 31st, 1922	6,820,411.23
	\$7,498,494.10
DEDUCT—	
Dividends paid:	
3½% on \$2,000,000.00 Preferred Stock on 31st March and 30th September	\$140,000.00
1¾% on \$2,000,000.00 Preferred Stock at time of retire- ment December 31st, 1923	35,000.00
6% on \$10,800,000.00 of Com- mon Stock	647,985.00
	\$822,985.00
Investments Written Off	45,740.24
	868,725.24
Surplus per Balance Sheet	\$6,629,768.86

DIVIDENDS

The following table sets forth the Dividends paid since 1893:

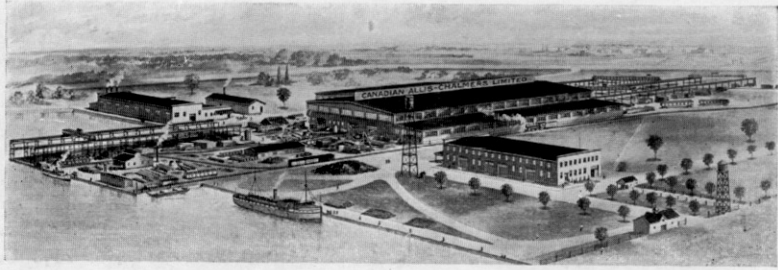
	PREFERENCE STOCK DIVIDENDS		COMMON STOCK DIVIDENDS		TOTAL DIVIDENDS
	Rate	Amount	Rate	Amount	
1893	...	.....	6%	\$ 85,641.41	\$ 85,641.41
1894	...	.....	6%	87,768.53	87,768.53
1895	...	.....	6%	87,982.29	87,982.29
1897	6%	\$ 17,330.57	6%	54,000.00	71,330.57
1898	6%	18,000.00	7%	63,000.00	81,000.00
1899	6%	18,000.00	10%	90,000.00	108,000.00
1900	6%	18,000.00	10%	109,623.07	127,623.07
1901	6%	18,000.00	10%	148,750.00	166,750.00
1902	6%	18,000.00	10%	195,739.22	213,739.22
1903	6%	18,000.00	10%	251,277.98	269,277.98
1904	6%	18,000.00	10%	266,890.00	284,890.00
1905	6%	18,000.00	10%	317,499.11	335,499.11
1906	6%	18,000.00	10%	466,690.14	484,690.14
1907	6%	18,000.00	10%	470,000.00	488,000.00
1908	7%	110,042.30	7%	329,000.00	439,042.30
1909	7%	140,000.00	7%	329,000.00	469,000.00
1910	7%	140,000.00	7%	354,624.83	494,624.83
1911	7%	140,000.00	7%	385,109.37	525,109.37
1912	7%	140,000.00	* 7%	549,871.80	689,871.80
1913	7%	140,000.00	* 7%	636,634.17	776,634.17
1914	7%	140,000.00	7%	556,741.13	696,741.13
1915	7%	140,000.00	7%	558,022.32	698,022.32
1916	7%	140,000.00	8%	639,843.90	779,843.90
1917	7%	140,000.00	8%	640,000.00	780,000.00
1918	7%	140,000.00	8%	640,000.00	780,000.00
1919	7%	140,000.00	8%	640,000.00	780,000.00
1920	7%	140,000.00	†8%	874,114.25	1,014,114.25
1921	7%	140,000.00	8%	787,038.31	927,038.31
1922	7%	140,000.00	§ 6½%	701,879.00	841,879.00
1923	7%	175,000.00	6%	647,985.00	822,985.00
		\$2,442,372.87		\$11,964,725.83	\$14,407,098.70
			Stock Dividend 1921, of 20%....	1,800,000.00	1,800,000.00
				\$13,764,725.83	\$16,207,098.70

Preference Stock Dividends..... \$ 2,442,372.87

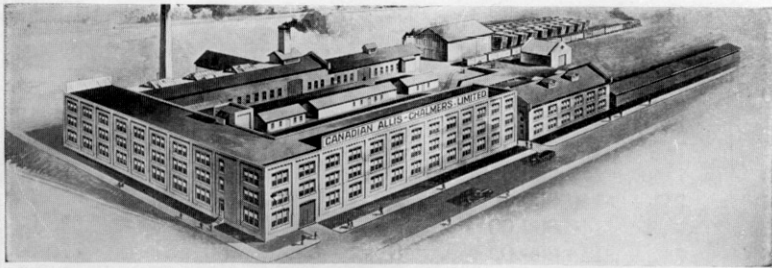
Common Stock Dividends..... 13,764,725.83

Total Dividends..... \$16,207,098.70

* And 1% Bonus. † And 2% Bonus.
§ 8% 1st quarter, 6% remainder of year.



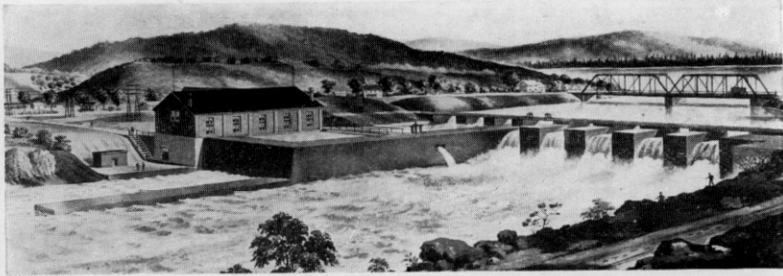
Canadian Allis-Chalmers, Limited, Bridgeburg, Ont.



Canadian Allis-Chalmers, Limited, Stratford, Ont.



Electrical Porcelain Works, Peterboro, Ont.

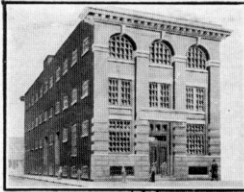


Power House No. 1, Peterboro, Ont.

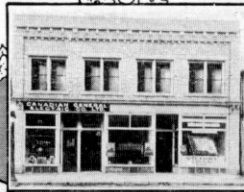


Power House No. 2, Peterboro, Ont.

OFFICES & WAREHOUSES
CANADIAN GENERAL ELECTRIC COMPANY, LIMITED.



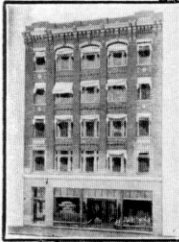
WINNIPEG, MAN.



NELSON B. C.



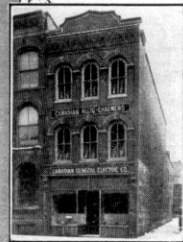
VANCOUVER, B. C.



OTTAWA, ONT.



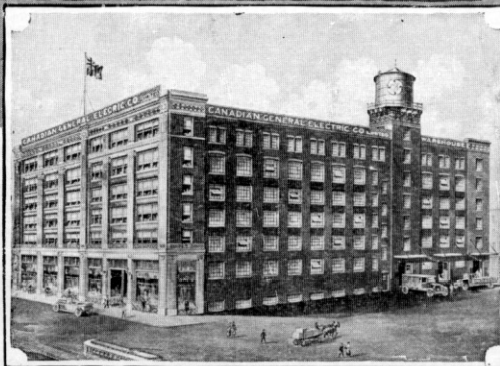
MONTREAL, QUE.



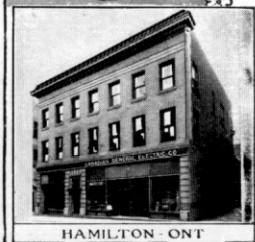
LONDON, ONT.



WINDSOR - ONT.



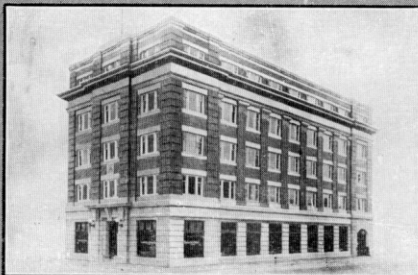
TORONTO WAREHOUSE & SHOW ROOMS



HAMILTON - ONT.



COBALT, ONT.



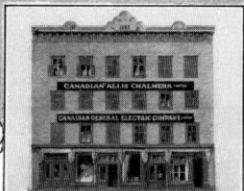
CALGARY ALTA.



HALIFAX, N.S.



S. PORCUPINE, ONT.



QUEBEC



ST. JOHN N. B.

