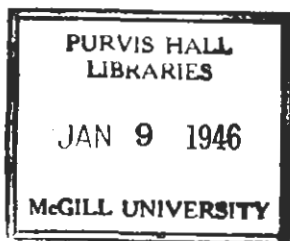


**CANADIAN
GENERAL  ELECTRIC
COMPANY
LIMITED**

**ANNUAL
REPORT
1933**



Annual Report
of the Board of Directors

for the Year ended
December 31, 1933

CANADIAN
GENERAL  ELECTRIC
COMPANY
LIMITED

**CANADIAN GENERAL ELECTRIC COMPANY
LIMITED**

HEAD OFFICE

212-218 KING STREET WEST, TORONTO, ONT.

BRANCH OFFICES

HALIFAX, N.S.	NEW LISKEARD, ONT.
SYDNEY, N.S.	FORT WILLIAM, ONT.
ST. JOHN, N.B.	WINNIPEG, MAN.
MONTREAL, QUE.	CALGARY, ALTA.
QUEBEC, QUE.	EDMONTON, ALTA.
OTTAWA, ONT.	REGINA, SASK.
HAMILTON, ONT.	SASKATOON, SASK.
LONDON, ONT.	NELSON, B.C.
WINDSOR, ONT.	VANCOUVER, B.C.
	VICTORIA, B.C.

MANUFACTURING PLANTS

PETERBOROUGH WORKS	PETERBOROUGH, ONT.
DAVENPORT WORKS	TORONTO, ONT.
WARD STREET WORKS	TORONTO, ONT.
EDISON MAZDA LAMP WORKS	TORONTO, ONT.
VACUUM TUBE WORKS	TORONTO, ONT.
ARCHITECTURAL BRONZE & IRON WORKS	TORONTO, ONT.
ROCKFIELD WORKS	LACHINE, QUE.

CANADIAN GENERAL ELECTRIC COMPANY
LIMITED

DIRECTORS

J. J. ASHWORTH	SIR HERBERT HOLT
GEORGE W. BEARDMORE	HON. F. B. McCURDY
J. H. BLACK	J. A. RICHARDSON
H. C. COX	HON. W. D. ROSS
D. C. DURLAND	JULIAN C. SMITH
A. E. DYMENT	A. M. STEWART, K.C.
STEPHEN HAAS	W. J. BLAKE WILSON

EXECUTIVE OFFICERS

A. E. DYMENT, Chairman of the Board
D. C. DURLAND, President
STEPHEN HAAS, Vice-President
J. J. ASHWORTH, General Manager
E. I. JENKING, Treasurer
W. H. NESBITT, Secretary

BANKERS

THE BANK OF MONTREAL
THE CANADIAN BANK OF COMMERCE
THE DOMINION BANK
THE ROYAL BANK OF CANADA
GUARANTY TRUST CO. OF NEW YORK

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, CHAIRMAN OF THE BOARD.
DIRECTOR, ROYAL BANK OF CANADA.
DIRECTOR, CANADA & DOMINION SUGAR CO.
- D. C. DURLAND, PRESIDENT.
- STEPHEN HAAS, VICE-PRESIDENT.
PRESIDENT, GEO. H. HEES, SON & CO.
DIRECTOR, ROYAL BANK OF CANADA.
- J. J. ASHWORTH, GENERAL MANAGER.
- GEORGE W. BEARDMORE.
PRESIDENT, BEARDMORE LEATHERS, LIMITED.
- J. H. BLACK.
PRESIDENT, DOMINION CONSTRUCTION CORP.
DIRECTOR, CANADA NORTHERN POWER CORP.
- H. C. COX.
CHAIRMAN OF BOARD, CANADA LIFE ASSURANCE COMPANY.
DIRECTOR, CANADIAN BANK OF COMMERCE.
- SIR HERBERT HOLT.
CHAIRMAN, MONTREAL LIGHT, HEAT AND POWER
CONSOLIDATED.
PRESIDENT, ROYAL BANK OF CANADA.
- HON. F. B. McCURDY.
DIRECTOR, BANK OF NOVA SCOTIA.
PRESIDENT, EASTERN TRUST COMPANY.
- JAMES A. RICHARDSON.
DIRECTOR, CANADIAN PACIFIC RAILWAY.
PRESIDENT, JAMES RICHARDSON & SONS, LIMITED.
- HON. W. D. ROSS.
DIRECTOR, BANK OF NOVA SCOTIA
DIRECTOR, INTERNATIONAL POWER CO.
- JULIAN C. SMITH.
PRESIDENT, MONTREAL TRAMWAYS COMPANY.
PRESIDENT, THE SHAWINIGAN WATER AND POWER
COMPANY.
- A. M. STEWART, K.C.
- W. J. BLAKE WILSON.
DIRECTOR, BRITISH COLUMBIA POWER CORP.
DIRECTOR, CANADIAN PACIFIC RAILWAY.

ANNUAL REPORT OF THE DIRECTORS
TO THE SHAREHOLDERS OF
CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

TORONTO, CANADA

MARCH 21, 1934

The Board of Directors submit herewith the Balance Sheet of your Company as of December 31, 1933, and Statement of Profit and Loss for the year, certified by the Company's Auditors, Messrs. Price, Waterhouse and Co., Chartered Accountants.

The improvement in general business conditions during the latter part of the year 1933 was only moderately reflected in the electrical manufacturing industry. The Company's sales of large apparatus were greatly reduced, as electric power plant developments in Canada during the year were mostly additions to existing plants. The business of the Company was composed principally of electrical merchandise and household appliances, incandescent lamps and small apparatus.

It is encouraging, however, that the electric power consumption in Canada since October, 1933, has been at the highest rate ever recorded, indicating that the available surplus electric power of the country is in process of being absorbed, which should ultimately lead to the resumption of power plant developments with the consequent demand for heavy electrical generating and distributing equipment.

The profits for the year, after deduction of all charges for expenses, reserves and taxes, but before providing for depreciation, amounted to \$1,070,807.39, as compared with \$2,086,466.59 in 1932, a decrease of \$1,015,659.20. From these profits the amount of \$435,631.68 was written off for current depreciation, leaving a net profit for the year of \$635,175.71, a decrease of \$530,484.87 from the net profit for the previous year.

Dividend disbursements amounted to \$1,212,788.75. The dividends paid on the Preference Stock, at the rate of

7% per annum, were \$599,042.50. Dividends of \$613,746.25 were paid on the Common Stock, \$1.00 per share being paid for the first quarter, and 75c. per share for the remaining three quarters, making a total of \$3.25 per share for the year, or 6½% upon the par value of the stock. Dividend disbursements exceeded net earnings by \$577,613.04, which amount was charged against Surplus, leaving a balance of \$6,186,805.22 in this account at December 31, 1933.

Current Assets amount to \$16,579,007.51 and Current Liabilities to \$1,018,675.10. The excess of Current Assets over Current Liabilities, or working capital, amounts to \$15,560,332.41, a decrease of \$59,066.60, while the ratio of Current Assets to Current Liabilities is 16.3 to 1.

Cash and Loans fully secured by collateral, Government Bonds and Investments aggregate \$16,990,260.68, as compared with \$18,177,679.65 at December 31, 1932, a decrease of \$1,187,418.97. Government Bonds, amounting to \$10,854,274.42, represent an increase of \$1,646,082.75; Cash and Loans total \$2,002,096.67, a decrease of \$2,878,774.15, and Investments other than Government Bonds amount to \$4,133,889.59, an increase of \$45,272.43. Industrial securities are carried at cost or market price on December 31, 1933, whichever was the lower, and Government Bonds are carried at cost or par value, whichever was lower. The decrease in Cash, Loans, Government Bonds and Investments was more than offset by the decrease of \$1,744,281.54 in Accounts Payable, which were reduced from \$2,471,562.26 to \$727,280.72, and represent the Company's total liabilities other than to the Shareholders at December 31, 1933.

Accounts and Notes Receivable have been carefully examined and, after appropriate reserves for doubtful accounts, amount to \$1,558,496.60, a decrease of \$540,994.68. Inventories have been valued, in accordance with the usual custom of the Company, on the basis of cost or market whichever was the lower. After deducting adequate reserves for obsolescence and shrinkage in value, the Inventories are carried at \$3,906,100.08, an increase of \$173,536.10.

The Company has no funded debt, notes payable, or other interest bearing obligations of any kind.

Capital expenditures in 1933 on manufacturing and distributing facilities were reduced to \$115,261.00. The total of such expenditures during the past ten years has been \$8,806,909.00, which has placed the factories, district offices and warehouses in excellent physical condition and advanced manufacturing efficiency, quality of product and service to customers. Engineering development has been continued, and improvements made in the design and construction of many important classes of apparatus, electric appliances and lamps for commercial and domestic use.

The Employees' Savings and Investment Plan, under which employees may purchase Preference Shares of the Company on favorable and convenient terms, has been beneficial to the employees during recent years, and will be continued in 1934. The par value of the employees' holdings under this plan at December 31, 1933, was in excess of one million dollars, or over 12% of the outstanding Preference Stock.

Your Directors regret to record the death of their esteemed colleague, the late Mr. Wilmot L. Matthews, who had faithfully served on the Board of the Company for over thirteen years.

Your Directors and Officers take pleasure in again expressing their appreciation of the loyal and co-operative services rendered during the year by the employees of the Company.

By order of the Board of Directors.

A. E. DYMENT, Chairman.

D. C. DURLAND, President.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED
BALANCE SHEET, DECEMBER 31, 1933

ASSETS

Capital Assets—	
Manufacturing Plants, including Land, Buildings, Machinery, Head Office and Branch Office Properties at cost.....	\$17,220,224.49
Patents and Franchises.....	1.00
Total Capital Assets.....	<u>\$17,220,225.49</u>
Investments	4,133,889.59
Employees' Savings Plan	456,747.87
Current Assets—	
Inventory of Raw Materials, Supplies, Work in Progress, and Finished Materials, including expenditures on Contracts (less inventory reserves).....	\$ 3,906,100.08
Accounts and Notes Receivable (less reserve for doubtful accounts).....	1,558,496.60
Government Securities.....	10,854,274.42
Cash and Loans Secured by Collateral.....	2,002,096.67
	<u>\$18,320,967.77</u>
Less Advance Payments on Contracts.....	1,741,960.26
Total Current Assets.....	16,579,007.51
Deferred Charges	44,254.10
	<u><u>\$38,434,124.56</u></u>

LIABILITIES

Capital Stock—	
Authorized.....	<u>\$18,000,000.00</u>
Issued:	
Common, 188,845 Shares par value \$50.00.....	\$ 9,442,250.00
Preference, 171,155 Shares par value \$50.00 (callable at \$57.50).....	8,557,750.00
	<u>\$18,000,000.00</u>
Current Liabilities—	
Accounts Payable.....	\$ 727,280.72
Dividend on Preference Stock Payable.....	149,760.63
Dividend on Common Stock Payable.....	141,633.75
Total Current Liabilities.....	1,018,675.10
Depreciation and General Reserve	13,228,644.24
Surplus December 31, 1933	6,186,805.22
	<u><u>\$38,434,124.56</u></u>

A. E. DYMENT, Chairman of the Board.
D. C. DURLAND, President.

With our Report to the Shareholders dated March 6, 1934, appended hereto.

PRICE, WATERHOUSE & CO.,
Auditors.

PROFIT AND LOSS ACCOUNT

Profit for the year ended December 31,
1933, before providing for Depreciation. \$1,070,807.39

Less—

Depreciation..... 435,631.68

Net Profit for the Year..... \$ 635,175.71

Add—

Surplus as at January 1, 1933..... 6,764,418.26

\$7,399,593.97

Deduct—

Dividend on Common Stock..... 613,746.25

Dividend on Preference Stock..... 599,042.50

Surplus at December 31, 1933..... \$6,186,805.22

PRICE, WATERHOUSE & CO.

Royal Bank Building,
Toronto, March 6, 1934.

To the Shareholders
of the Canadian General Electric Company, Limited.

We have examined the books and accounts of the Canadian General Electric Company, Limited, for the year ending December 31, 1933, 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 \$435,631.68 has been made from the operations of the year for depreciation of Plants.

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 on the basis of cost or market value, whichever was lower.

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. The investments in public utility and industrial securities have been written down to market value whilst Government Securities are carried at par or cost whichever was lower.

On the above basis we report 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 & CO.,
Auditors.

