

CANADIAN WESTINGHOUSE COMPANY, LIMITED

SEVENTEENTH ANNUAL REPORT

DECEMBER 31ST, 1920

DIRECTORS

H. H. WESTINGHOUSE, CHAIRMAN OF THE BOARD

PAUL J. MYLER, PRESIDENT

L. A. OSBORNE, VICE-PRESIDENT

F. A. MERRICK, VICE-PRESIDENT

T. AHEARN

SIR JOHN M. GIBSON, K. C. M. G.

JOHN F. MILLER

CHARLES A. TERRY

WARREN Y. SOPER

GENERAL GUY E. TRIPP

N. S. BRADEN, VICE-PRESIDENT

H. U. HART, GENERAL MANAGER AND CHIEF ENGINEER

H. M. BOSTWICK, MANAGER OF SALES

C. H. O. POOK, MANAGER OF WORKS

GEORGE R. KERR, TREASURER

W. E. SPRAGUE, SECRETARY

PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

SALES OFFICES

MONTREAL, QUE.

TORONTO, ONT.

WINNIPEG, MAN.

HALIFAX, N. S.

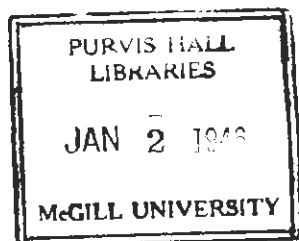
OTTAWA, ONT.

CALGARY, ALTA.

VANCOUVER, B. C.

FORT WILLIAM, ONT.

EDMONTON, ALTA.



CANADIAN WESTINGHOUSE COMPANY, LIMITED

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The Directors submit herewith the customary certified Balance Sheet of the Company at the close of the fiscal year ended December 31st; and a statement of the Profit and Loss Account, showing earnings for the year amounting to \$1,251,080.45, from which the sum of \$225,000.00 has been written off for general depreciation, and a reserve of \$110,000.00 created for the payment of Dominion Taxes for 1920, leaving net profits of \$916,080.45.

From the year's profits, dividends at the rate of seven per cent. per annum and an extra dividend of two per cent. were paid, amounting to \$615,524.61, leaving a balance of \$300,555.84 carried forward to Profit and Loss, which account shows as of December 31st, 1920, a surplus of \$2,114,828.43, exclusive of all reserves.

For the purpose of securing additional working capital, made necessary by the increased business and activities of the Company, the outstanding Capital Stock was increased during the year from \$6,229,400.00 to \$7,417,900.00 by the issuance of 11885 new shares. These were subscribed at par by the shareholders of record June 30th, ratably according to their holdings, to whom the offering was made, and payments were completed October 1st.

The period of industrial expansion which, developing during the preceding year, was in full tide at the beginning of 1920, continued with little abatement until about mid-year. By that time a realization began to make itself felt generally throughout the community that, although no overproduction of goods existed as measured by the world's needs, the question of payment for further production, particularly on the scale of prices prevailing, would have to be seriously considered for the future. A dropping off in export absorptions and the continued low exchange rate on Canadian funds were indications that could not be overlooked. The individual in his home and as well the corporation, both private and public, found it expedient to curtail their expenditures and a universal slowing down of industrial operations resulted, followed by a drooping tendency in valuations of commodities to such an extent that toward the end of the year the uncertain outlook had brought about considerable unemployment in many lines.

The standing of your Company with its efficiently equipped manufacturing organization and with its reputation for maintaining, in the design and fabrication of its products, the well-known Westinghouse standards for service, enabled it to secure such a share of the business offering that not only has the billing of shipments throughout the year marked a new high record, but also orders scheduled for delivery on into the new year, are equivalent to an average full output of the plants for several months.

The earnings for the year have been fairly consistent with the volume of business and their attainment has been made possible by the loyal and effective industry and co-operation of officers and employees throughout the various departments.

Expenditures for maintenance and renewals have as usual been included in cost of product for the year, together with proper allowances for depreciated values of special equipment.

In view of the amounts involved in inventories of raw material and products, special attention has been given to their verification in physical units and to the application of conservative values at market prices or less.

During the year, your Company has extended its activities in the electrical field by taking up the manufacture of incandescent lamps. Aside from this, there have been various considerable additions to your plants and their equipment, due to the generally increased output requirements. Among the notable items of the year's output may be mentioned the world's largest hydro-electric generating unit, your Company being the first entrusted with the design and manufacture of a generating unit of a capacity of 60,000 Horsepower.

By Order of the Board,

H. H. WESTINGHOUSE,
Chairman.

ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST, 1920

GENERAL BALANCE SHEET

ASSETS:—

CASH	-	\$ 208,319.55	
DOMINION WAR LOAN BONDS, ETC.	-	377,655.75	
ACCOUNTS AND BILLS RECEIVABLE	-	2,590,863.51	
PROPERTY AND PLANT			
Hamilton:—Real Estate; Electric, Air Brake and Office Buildings; Machinery, Tools, and Equipment, etc.	-	\$3,766,521.28	
Winnipeg:—Real Estate and Warehouse	-	54 000.00	
Patents, Rights and Licenses	-	600,000.00	
		4,420,521.28	
Written off for Depreciation	-	225,000.00	4,195,521.28
INVENTORY OF MATERIALS AND PRODUCTS ON HAND, INCLUDING WORK IN PROCESS, LESS COLLECTIONS ON ACCOUNT			
			4,637,501.37
INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE		12,446.36	<u>\$11,962,307.82</u>

LIABILITIES:—

CAPITAL STOCK			
Authorized	-	\$10,000,000.00	
Issued	-	7,417,900.00	
CURRENT ACCOUNTS PAYABLE	-	1,313,170.12	
DIVIDEND NO. 65, PAYABLE JANUARY 1ST, 1921	-	277,983.75	
CONTRACTS IN PROGRESS	-	128,425.52	
RESERVE			
For Depreciation of Property and Plant	-	\$500,000.00	
For Inventory Adjustment	-	100,000.00	600,000.00
PROVISION FOR DOMINION TAXES, 1920	-	110,000.00	
PROFIT AND LOSS ACCOUNT	-	2,114,828.43	<u>\$11,962,307.82</u>

PROFIT AND LOSS ACCOUNT

INCOME AND EXPENDITURE

BALANCE BROUGHT FORWARD JANUARY 1ST, 1920	-	-	\$1,814,272.59
EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST, 1920			
From Manufacturing Operations	-	-	\$2,020,516.31
Administration, Selling and General Expenses, etc., including provision for Doubtful Accounts, Payment of Dominion Taxes 1919, Municipal Taxes, etc.	-	-	821,193.70
			1,199,322.61
From Interest on Dominion War Loan Bonds	-	-	19,544.38
From Bank Interest and Miscellaneous Earnings	-	-	32,213.46
			1,251,080.45
For Dominion Taxes, 1920	-	-	110,000.00
			1,141,080.45
Written off for Depreciation	-	-	225,000.00
NET EARNINGS	-	-	916,080.45
LESS DIVIDENDS, 1920	-	-	615,524.61
BALANCE CARRIED FORWARD JANUARY 1ST, 1921	-	-	<u>\$2,114,828.43</u>

PAUL J. MYLER,
President

F. A. MERRICK,
Vice-President

AUDITOR'S CERTIFICATE

I have audited the books of the Company for the twelve months ended 31st December, 1920, and have been furnished with vouchers for all expenditures. I have obtained all information and explanations required by me, and in my opinion the Balance Sheet is properly drawn up so as to exhibit a correct view of the Company's affairs according to the best of my information and the explanations given me, and as shown by the books of the Company.

HAMILTON, CANADA, February 28th, 1921

C. S. SCOTT, F.C.A.,
Auditor

