

CANADIAN WESTINGHOUSE COMPANY, LIMITED

TWENTIETH ANNUAL REPORT

DECEMBER 31ST, 1923

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.



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The Directors submit herewith the customary 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 \$1,393,473.93, from which the sum of \$212,000.00 has been written off for general depreciation, and a provision made of \$120,000.00 for the payment of Dominion Taxes for 1923, also a donation of \$40,000.00 has been made to the Company's Pension Fund for aged employees and their dependents, leaving net profits of \$1,021,473.93.

From these net profits, dividends at the rate of eight per cent. and an extra dividend of two per cent. were paid, amounting to \$742,790.00, leaving a balance of \$278,683.93 carried forward to Profit and Loss, which account shows as of December 31st, 1923, a surplus of \$2,891,365.20.

These results have been consequent on a fairly steady manufacturing output throughout the year, which although not sustained at the level of maximum production peaks heretofore reached, nor distributed equally through the various classes of apparatus within the Company's operation, has yet by careful attention to execution yielded a satisfactory outcome.

It is appropriate here to state that the earnest and efficient co-operation of the employees and directing forces in all Departments of the Company's activities have constituted the large factor working to this end.

It has been the realized aim throughout the year to give the Company's customers the high quality of apparatus and service with which the Westinghouse name is always associated.

In the first few months of the year an extraordinary demand for large capacity hydro-electric generating units developed, and your Company was successful in securing a favorable share of the business that has been closed. Among these bookings was the largest individual order for electric generators heretofore placed in any part of the world, the total capacity of this one order amounting to upwards of 300,000 horsepower. The delivery dates on this and some other orders for similar apparatus extend into and through the year 1924.

At what might be termed the other end of the manufacturing scale, the demand for radio apparatus has been large and increasing, while, intermediate of these, the broad field of supply to the multifold industrial uses of the country has been active in only an average degree. The harvest yield and other factors favorably affecting the underlying commercial position of the Dominion, by contributing to the year's advantageous balance of trade, had not had time to appear in increased consuming power of the public and thereby influence the general industrial situation sufficiently to materialize any considerable increase in orders for this class of apparatus before the end of the year.

The influx of orders for large capacity units, taken in the light of the prospect for continued development in exploitation of the abundant water power resources of Canada, indicated the desirability of providing appropriate additions to plant for facilitating production in this line of work. Accordingly, during the year, some essential additions have been made to the large machine tool equipment of the plant, and the construction of a new pattern shop and foundry, with modern arrangements for economical handling of large work, have been put under way at the West property of the Company, which was secured some years ago in anticipation of the need for this kind of development. It is expected that these buildings will be equipped and in service toward the end of the coming summer.

In order to provide more adequate housing and equipment for the growing service work in conjunction with the Company's district representations, as well as to provide better and more economical handling of district office stocks, suitable buildings have been acquired in Montreal and Calgary, and a previously contemplated addition to the Winnipeg building has been completed.

Following the established procedure, a detailed and conservative inventory has been made of all raw materials, work in process and finished stocks; and the usual care has been exercised to include in costs of the year's operations all proper charges for maintenance and obsolescence.

By Order of the Board,

H. H. WESTINGHOUSE,
Chairman.

ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31ST, 1923

GENERAL BALANCE SHEET

ASSETS:—

CASH	-		\$1,249,476.26
DOMINION WAR LOAN BONDS, ETC.	-		333,981.13
ACCOUNTS AND BILLS RECEIVABLE	-		1,945,017.24
PROPERTY AND PLANT			
Hamilton:—Real Estate; Factories and Office Buildings; Machinery, Tools and Equipment, etc.	-	\$4,512,900.20	
District Offices:—Real Estate and Buildings	-	153,190.56	
Patents, Rights and Licenses	-	500,000.00	
		5,166,090.76	
Written off for Depreciation	-	212,000.00	4,954,090.76
INVENTORY OF MATERIALS AND PRODUCTS ON HAND INCLUDING WORK IN PROCESS, LESS COLLECTIONS ON ACCOUNT			
	-		3,767,434.50
INSURANCE UNEXPIRED AND TAXES PAID IN ADVANCE	-		29,111.53
			<u>\$12,279,111.42</u>

LIABILITIES:—

CAPITAL STOCK			
Authorized	-	\$10,000,000.00	-
Issued	-		\$7,427,900.00
CURRENT ACCOUNTS PAYABLE	-		635,677.84
DIVIDEND NO. 77, PAYABLE JANUARY 1ST, 1924	-		297,116.00
CONTRACTS IN PROGRESS	-		307,052.38
RESERVE FOR DEPRECIATION	-		600,000.00
PROVISION FOR DOMINION TAXES, 1923	-		120,000.00
PROFIT AND LOSS ACCOUNT	-		2,891,365.20
			<u>\$12,279,111.42</u>

PROFIT AND LOSS ACCOUNT

INCOME AND EXPENDITURE

BALANCE BROUGHT FORWARD JANUARY 1ST, 1923	-		\$ 2,612,681.27
EARNINGS, FISCAL YEAR ENDED DECEMBER 31ST, 1923			
From Manufacturing Operations	-		\$2,208,883.44
Administration, Selling and General Expenses, Taxes, and Provision for Doubtful Accounts, etc.	-	884,568.78	
			1,324,314.66
From Interest on Dominion War Loan Bonds	-	20,077.75	
From Bank Interest and Miscellaneous Earnings	-	49,081.52	
			1,393,473.93
Written off for Depreciation	-	\$212,000.00	
For Dominion Taxes, 1923	-	120,000.00	
Donation to Pension Fund	-	40,000.00	372,000.00
NET EARNINGS	-		1,021,473.93
LESS DIVIDENDS, 1923	-		742,790.00
			278,683.93
BALANCE CARRIED FORWARD JANUARY 1ST, 1924	-		<u>\$2,891,365.20</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, 1923, 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, March 3rd, 1924.

C. S. SCOTT, F.C.A.,
of C. S. SCOTT & Co.,
Auditor

