

# CANADIAN WESTINGHOUSE COMPANY, LIMITED

## THIRTY-THIRD ANNUAL REPORT

DECEMBER 31st, 1936

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### DIRECTORS

PAUL J. MYLER, CHAIRMAN AND PRESIDENT

F. A. MERRICK, VICE-PRESIDENT

HON. THOMAS AHEARN, P. C.

N. S. BRADEN, VICE-PRESIDENT

A. W. ROBERTSON

RALPH KELLY

JOHN F. MILLER

CHARLES A. TERRY

A. L. HUMPHREY

CHARLES A. ROWAN

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GEORGE R. KERR, VICE-PRESIDENT AND TREASURER

JOHN R. READ, VICE-PRESIDENT

H. M. BOSTWICK, MANAGER OF SALES

C. H. O. POOK, MANAGER OF WORKS

W. E. SPRAGUE, SECRETARY

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PRINCIPAL OFFICE AND WORKS, HAMILTON, ONTARIO

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### SALES OFFICES

MONTREAL, QUE.

TORONTO, ONT.

CALGARY, ALTA.

HALIFAX, N.S.

OTTAWA, ONT.

EDMONTON, ALTA.

WINNIPEG, MAN.

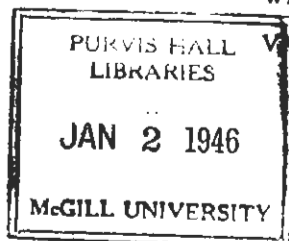
FORT WILLIAM, ONT.

REGINA, SASK.

VANCOUVER, B.C.

SWASTIKA, ONT.

SASKATOON, SASK.



# CANADIAN WESTINGHOUSE COMPANY, LIMITED

## THIRTY-THIRD ANNUAL REPORT

DECEMBER 31st, 1936

The Board of Directors submits the customary certified Balance Sheet of the Company at the close of the fiscal year ended December 31st, 1936, and a statement of the Profit and Loss Account.

The statement shows the current year's earnings from all sources, including investment returns, etc., after provision made for all bad and doubtful debts, to be \$1,397,689.35, to which has been added an amount of \$150,000.00 transferred from the General Reserve for Depreciation. From this total, deductions have been made for the payment of Taxes; for Directors' Fees, Executive Remuneration and Legal Expenses paid; for depreciation of Property and Plant, and the usual donation to the Employees Pension Fund; all as shown on the statement; leaving a net of \$872,131.02.

The Company's operations during the year just closed were remarkably similar in general character to those of 1935. A slightly larger total volume of business was booked than in the preceding year, the major portion of this increase being due to the wider distribution of household appliances and small devices. While business in this field is highly competitive, with consequent small margin of profit, it must be borne in mind that throughout the depression years this particular class of business has been one of the mainstays of our Company. It has now developed into an important and permanent factor in our operations.

Having the foregoing fact in mind, and for the purpose of bringing about more efficient production of these appliances, construction of some new buildings and additions to existing buildings were begun in 1936. At the same time, orders for additional manufacturing equipment for the same purpose were placed. These extensions and improvements will be completed during 1937.

While conditions throughout Canada generally were more prosperous than in 1935, the market for large power and industrial apparatus as applying to our industry has not increased. With the exception of the mining industry, no large capital expenditures for plant or extensions have as yet been made. There was, however, a fair demand for medium and small-sized industrial apparatus.

Aside from the improvements mentioned above to take care of the Appliance business, additions to and replacements of machine tool and other equipment were made during the year in both our Electric and Air Brake factories for the two-fold purpose of taking care of new designs of apparatus in both these fields, and of keeping our manufacturing facilities modernized in every respect. Continued adherence to this policy means that we shall be in excellent position to take care of whatever future business may be offering.

Due to the fact that the railway companies did not place any substantial orders for new rolling stock, the volume of business of the Air Brake Department was less in 1936 than in the preceding year. At the close of the year, however, financial arrangements are being completed, whereby both the larger railway systems will place orders for a very considerable replacement of rolling stock, both freight and passenger, which is badly needed. This building program should result in a larger volume of business in the Air Brake Department during 1937.

The physical inventories of the Company have been compiled with care and accuracy, and the values used are in every case either the lower of actual cost or present value.

Your board wishes to record with appreciation, the loyalty and efficiency of the supervisory and operating forces of the Company throughout the year.

By order of the Board,

PAUL J. MYLER.

Chairman and President.

February 10th, 1937.

# ABSTRACT OF FINANCIAL STATEMENT

FOR FISCAL YEAR ENDED DECEMBER 31st, 1936

## GENERAL BALANCE SHEET

### ASSETS:—

CASH - - - - -		\$ 881,447.34
INVESTMENTS, GOVERNMENT BONDS, ETC., AT COST		
(Market \$5,348,494.11) - - - - -		4,925,802.65
ACCOUNTS AND BILLS RECEIVABLE - - - - -		1,145,822.78
PROPERTY AND PLANT:—		
Real Estate; Buildings; Machinery; Tools and Equipment; Main Office and District Office Properties; at Cost less Depreciation - - - - -		5,646,451.61
INVENTORY OF MATERIALS AND PRODUCTS ON HAND INCLUDING WORK IN PROCESS; AT THE LOWER OF COST OR MARKET		3,996,935.00
INSURANCE UNEXPIRED, ETC. - - - - -		32,708.20
PATENTS, RIGHTS AND LICENSES - - - - -		1.00
		16,629,168.58
ADVANCE PAYMENTS ON CONTRACTS - - - - -		101,825.97
		\$ 16,527,342.61

### LIABILITIES:—

CAPITAL STOCK, 546,000 Shares No Par Value - - - - -		\$ 9,100,000.00
CURRENT ACCOUNTS PAYABLE - - - - -		774,716.15
CONTRACTS IN PROGRESS - - - - -		10,776.58
PROVISION FOR TAXES - - - - -		160,000.00
RESERVE FOR DEPRECIATION - - - - -		400,000.00
EARNED SURPLUS - - - - -		6,081,849.88
		\$ 16,527,342.61

## PROFIT AND LOSS ACCOUNT

BALANCE BROUGHT FORWARD JANUARY 1st, 1936 - - - - -		\$ 6,301,718.86
EARNINGS FROM ALL SOURCES FOR YEAR ENDED DECEMBER 31st, 1936,		
INCLUDING RETURN FROM INVESTMENTS - - - - -		\$ 1,397,689.35
FROM RESERVE FOR DEPRECIATION - - - - -		150,000.00
		1,547,689.35
For Taxes - - - - -	\$ 160,000.00	
Directors' Fees - - - - -	13,800.00	
Executive Remuneration and Legal Expenses	63,758.33	
Written off for Depreciation - - - - -	403,000.00	
To Employees Pension Fund - - - - -	35,000.00	
		675,558.33
NET EARNINGS - - - - -		872,131.02
		7,173,849.88
LESS DIVIDENDS, 1936 - - - - -		1,092,000.00
		\$ 6,081,849.88

*For the Directors*

F. A. MERRICK  
N. S. BRADEN

*Vice-Presidents.*

### AUDITOR'S CERTIFICATE

I certify that I have audited the books and accounts of the Company for the year ended December 31st, 1936, have verified the cash and securities belonging to the Company and have been furnished with vouchers for all expenditures. I have obtained all necessary information and explanations, and the above statement, in my opinion, sets forth correctly the condition of the Company's affairs at the above date, according to the best of my information and the explanations given me, and agrees with the books of the Company.

Hamilton, Canada, February 18th, 1937

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

