

Canadian Celanese Limited

ANNUAL REPORT
FOR THE YEAR ENDED
DECEMBER 31st
1933



FURVIS HALL
LIBRARIES

APR 19 1955

M. GILL UNIVERSITY

Canadian Celanese Limited

ANNUAL REPORT
FOR THE YEAR ENDED
DECEMBER 31st
1933



Directors

BRIG.-GEN. SIR WILLIAM ALEXANDER

K.B.E., C.B., C.M.G., D.S.O., M.P.

C. L. AUGER

HENRI DREYFUS

LEE CADIEN

A. SCHWARTZ

W. MCC. CAMERON

P. A. THOMSON

CAMILLE DREYFUS

G. H. WHIGHAM

Finance and Executive Committee

P. A. THOMSON (Chairman) CAMILLE DREYFUS

G. H. WHIGHAM

W. MCC. CAMERON

Officers

G. H. WHIGHAM, Chairman of Board of Directors

CAMILLE DREYFUS, President

W. MCC. CAMERON, Vice-President

LEE CADIEN, Secretary and Treasurer

H. BLANCHE, Assistant Secretary and Assistant Treasurer

C. W. PALMER

R. H. SPERLING

Vice-President

Factory Manager

C. HESSEY-WHITE

Sales Manager

General Offices

1401 McGill College Avenue

Montreal P.Q.

Factory

Drummondville

P.Q.

Auditors

MESSRS. P. S. ROSS & SONS

Montreal, P.Q.

DIRECTORS' REPORT

To the Shareholders

of Canadian Celanese Limited:

Appended hereto are copies of the Balance Sheet showing the financial position of the Company as at December 31, 1933 and the Profit and Loss and Surplus Account for the year ended December 31, 1933 together with the statement of the Company's auditors, Messrs. P. S. Ross & Sons.

The net profit from operations for the year was \$1,857,666.15 as compared with \$1,301,190.72 for the previous year. After making provision for income tax, depreciation and other deductions, there was carried to Surplus Account \$1,260,864.21 as compared with \$718,881.38 last year.

Dividends distributed to the holders of the 7% Cumulative Participating Preferred shares during the year amounted to \$855,000.00, being the regular 7% dividend for the current year and 2½% dividend on account of arrears which now stand at \$26.25 per share.

An amount of \$500,000.00 appropriated from surplus has been set up as a reserve for amortization of Patents and Processes, leaving the Balance at Credit of Surplus Account \$1,628,175.63 as compared with \$1,723,449.89 for the previous year.

The item of Contingencies and Unascertained Charges, etc. shows a reduction from \$129,082.42 last year to \$104,478.54 at the end of the current year.

A special reserve of \$150,000.00 previously appropriated from Surplus to meet market depreciation of investment securities held by the Company remains intact as it was at the end of last year.

The productive capacity of your factory at Drummondville, Quebec, is being substantially increased. The work in connection therewith is well advanced and will be completed very shortly.

Your Board take this opportunity of thanking the officers and employees of the Company for their zeal, loyalty and cooperation which have made these results possible under difficult conditions.

For the Board of Directors,

CAMILLE DREYFUS,
President.

Balance Sheet
as at December 31, 1933

Assets

FIXED:

Real Estate, Plant, Machinery and Equipment	\$ 8,528,060.38	
Patents, Processes, Organization and Development Expenses	1,661,661.63	\$10,189,722.01
	<hr/>	

CURRENT:

Cash on hand and in Banks	716,431.79	
Bonds and Stocks at Cost (not in excess of estimated Market Value)	1,416,426.03	
Accounts Receivable and Accrued Interest	433,981.24	
Inventories of Raw Materials, Supplies, Work in Process and Finished Goods	1,142,003.43	3,708,842.49
	<hr/>	

DEFERRED AND PREPAID CHARGES:

Unexpired Insurance, Taxes, etc.	20,815.01
	<hr/>
	<u><u>\$13,919,379.51</u></u>

Note:

The Working Capital shown above includes funds to be appropriated for new Machinery and Equipment on order, estimated at \$300,000.00.

Approved on behalf of the Board:

(Signed) C. L. AUGER Director
P. A. THOMSON Director

Balance Sheet
as at December 31, 1933

Liabilities

CAPITAL STOCK:

AUTHORIZED

150,000	Shares	7%	Cumulative	
	Participating		Preferred	
300,000	Shares	Common, without		
	Nominal or	Par	Value	

ISSUED:

90,000	Shares	7%	Cumulative		
	Participating		Preferred	\$ 9,000,000.00	
250,409	Shares	Common, without			
	Nominal or	Par	Value	981,545.00	\$ 9,981,545.00

(Arrears of Dividends on Preferred Shares, \$26.25 per Share)

RESERVE FOR DEPRECIATION OF BUILDINGS, MACHINERY AND EQUIPMENT	1,100,117.83
RESERVE FOR AMORTIZATION OF PATENTS AND PROCESSES	500,000.00
RESERVE FOR CONTINGENCIES, UNASCERTAINED CHARGES, ETC.	104,478.54
SPECIAL RESERVE	150,000.00
CURRENT:	
Accounts Payable and Accrued Liabilities	455,062.51
SURPLUS:	
Per Statement attached	1,628,175.63
	\$13,919,379.51

Examined and Certified in accordance
with our attached Certificate.

P. S. ROSS & SONS,
Chartered Accountants

Montreal, February 7, 1934

STATEMENT OF PROFIT AND LOSS AND SURPLUS ACCOUNT
For the Year Ended December 31, 1933

Profit from Operations	\$1,857,666.15
------------------------	----------------

DEDUCT:

Depreciation	\$ 274,214.70	
Income Tax Reserve and other deductions	322,587.24	596,801.94
		1,260,864.21

ADD:

Balance at Credit of Surplus Account, December 31, 1932	1,723,449.89	
Less: Prior year adjustments	1,138.47	1,722,311.42
		2,983,175.63

DEDUCT:

Dividends Paid on Preferred Shares during 1933:		
7% for the year 1933	630,000.00	
2½% on account of arrears	225,000.00	855,000.00
		2,128,175.63

DEDUCT:

Amount transferred to Reserve for Amortization of Patents and Processes	500,000.00

Balance at Credit of Surplus Account, December 31, 1933	1,628,175.63

AUDITORS' CERTIFICATE

February 7th, 1934

Canadian Celanese Limited,
Montreal.

We have examined the books of account and financial records of Canadian Celanese Limited for the year ended December 31, 1933, and have obtained all the information and explanations we have required.

We certify that, in our opinion, the attached Balance Sheet and relative Profit and Loss and Surplus Account present a true and correct statement of the financial position of the Company as at December 31, 1933 and the results from operations for the year ended that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

P. S. ROSS & SONS,

Chartered Accountants

