

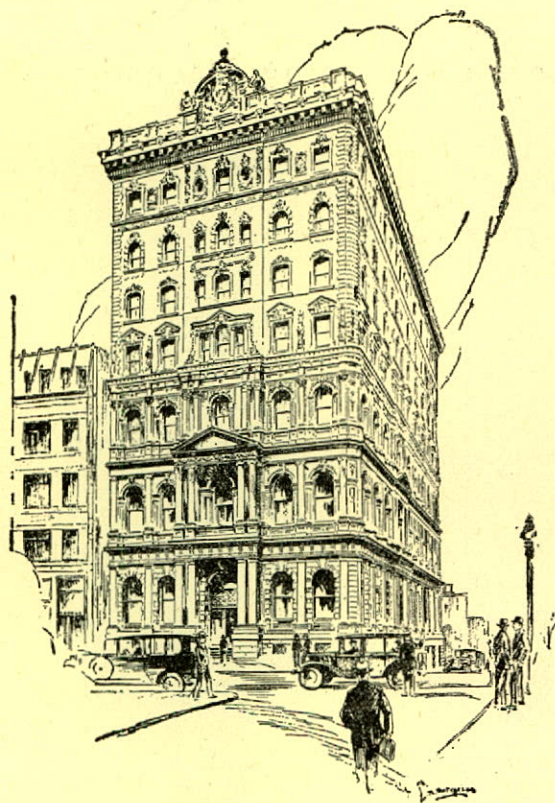
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CANADIAN POWER &
PAPER INVESTMENTS
LIMITED

ANNUAL REPORT

FOR THE YEAR ENDING
DECEMBER 31st
1929

Head Office:
355 ST. JAMES STREET
MONTREAL

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Head Office:
CANADIAN POWER & PAPER INVESTMENTS, LIMITED
and its Fiscal Agents
NESBITT, THOMSON & COMPANY, LIMITED
355 St. James Street West
MONTREAL

Canadian Power & Paper Investments, Limited



Annual Report

For the Year Ending December 31st, 1929



OFFICERS

President

A. J. NESBITT, Montreal

Vice-President

P. A. THOMSON, Montreal

Directors

J. S. AIRD.....	Montreal
A. J. NESBITT.....	Montreal
M. A. THOMSON.....	Montreal
P. A. THOMSON.....	Montreal
JAS. B. WOODYATT.....	Montreal

Secretary

L. C. HASKELL

Treasurer

CHAS. JOHNSTONE

Assistant Secretaries

V. J. NIXON and M. M. COX

Assistant Treasurer

F. D. LAMONT

Fiscal Agents

NESBITT, THOMSON & COMPANY, LIMITED

Auditors

P. S. ROSS & SONS

Canadian Power & Paper Investments, Limited



February 12th, 1930.

TO THE SHAREHOLDERS:—

Your Directors take much pleasure in presenting the following report covering operations of your Company for the year ended December 31st, 1929. Your Company has made considerable progress during the year which this report covers, as will be seen from the following figures:

Net Profit from Operations after providing for all expenses. \$484,813.38

LESS:—

Interest on Debentures..... 125,000.00

Dividend on 100,000 Shares 5% Cumulative Convertible
Preferred Stock outstanding..... 109,181.35

Balance..... \$250,632.03

This amount is carried forward and added to the surplus from the prior year's operations of \$268,525.43, making a grand total at the credit of Surplus Account as at December 31st, 1929, (subject to Federal Income Tax for 1929), of \$519,157.46.

Your Company started the year 1929 with a surplus carried forward from December 31st, 1928, of \$309,443.18, to which there was added adjustments pertaining to prior years of \$21,582.25, making a grand total of \$331,025.43.

During the year your Company retired the 25,000 shares of \$50. Par Value Non-Cumulative Convertible Preferred Stock at a cost to your Company of \$62,500.00. This amount has been deducted from the surplus at December 31st, 1928, which brought this figure down to \$268,525.43.

This change in the capital structure of your Company having been brought about, there is now authorized 100,000 shares of 5% Cumulative Preferred Stock, 50,000 of which is issued and outstanding, in addition to which there is authorized 250,000 Shares of No Par Value Common Stock, 100,000 shares of which are now issued and outstanding.

After providing for dividend on the new Preferred Stock, and Expenses, there remained an amount of \$250,632.03, which is slightly better than \$2.50 per share on the common Shares outstanding.

The Assets of the Company consist of Cash on Hand, Call Loans (secured) and Security Investments, made up of bonds and preferred and common stocks of leading public utility and industrial companies.

Less than 20% of your Company's funds are invested in the securities of pulp and paper companies.

Your Directors feel that they should continue the policy of investing your Company's capital with a view to safety of principal with adequate revenue the first requisite.

The drastic decline in prices of securities in Canada and the United States during the latter part of 1929 brought about a marked change in security values in both countries. The market value of the securities held by your Company is considerably in excess of the book value.

The Books and Accounts of the Company have been audited by Messrs. P. S. Ross & Sons, Chartered Accountants, whose certificate is attached.

Respectfully submitted on behalf of the Board.

President.

CANADIAN POWER & PAPER

Balance Sheet as at

ASSETS		
	1929	1928
Cash.....	\$ 134,726.12	\$ 25,223.44
Call Loans.....		281,825.00
Investment Securities.....	6,506,982.25	4,305,758.25
Accrued Interest thereon.....	57,230.74	34,359.37
Prepaid Charges.....	1,157.26	
	<u>\$6,700,096.37</u>	<u>\$4,647,166.06</u>

Approved on behalf of the Board: A. J. NESBITT }
 JAS. B. WOODYATT } Directors.

ER INVESTMENTS, LIMITED

December 31st, 1929

LIABILITIES		
	1929	1928
Loans Payable	\$ 151,714.01	\$ 35,639.58
Accounts Payable and Accrued Liabilities	6,308.28
Accrued Interest on Debentures	52,083.30	52,083.30
Accrued Dividend on Preferred Stock	20,833.32
Five Per Cent Thirty-Year Debentures Series "A" due 1st February 1958	2,500,000.00	2,500,000.00
Five Per Cent Cumulative Convertible Preferred Stock:		
Authorized 100,000 shs. \$50. each \$5,000,000.00		
Issued 50,000 shs. \$50. each	2,500,000.00	1,250,000.00
Common Stock:		
Authorized 250,000 shs. of No Par Value.		
Issued 100,000 / 75,000 shs. of No Par Value	950,000.00	475,000.00
Reserve for Income Tax	25,000.00
Surplus (Subject to Income Tax for 1929)	519,157.46	309,443.18
	<u>\$6,700,096.37</u>	<u>\$4,647,166.06</u>

AUDITORS' CERTIFICATE

To the Shareholders,
CANADIAN POWER & PAPER INVESTMENTS, LIMITED,
Montreal.

We have audited the books of the Canadian Power & Paper Investments, Limited, for the year ended 31st December, 1929, and have obtained all the information and explanations which we have required.

We certify that, in our opinion, the attached Balance Sheet and Surplus Account correctly set forth the financial position of the Company at the 31st December, 1929, and the results from operations for the year ended that date, according to the best of our information, the explanations given to us and as shown by the books of the Company.

MONTREAL, QUE., 6th February, 1930.

(Signed) P. S. Ross & Sons,
Chartered Accountants.

Canadian Power & Paper Investments, Limited



Profit and Loss Account

For the Year Ended 31st December, 1929



Dividends and Interest from Investments.....		\$275,205.63
Profits realized from Investments less appropriation to Investment Reserve.....		241,012.45
		<u>516,218.08</u>
LESS: Interest.....	\$125,000.00	
Expenses.....	31,404.70	156,404.70
		<u>3359,813.38</u>
Transferred to Surplus Account.....		



Surplus Account

For the Year Ended 31st December, 1929



Balance at 31st December, 1928.....		\$309,443.18
ADD: Adjustments pertaining to prior years.....		21,582.25
		<u>331,025.43</u>
LESS: Premium on Redemption of 6% Non-Cumulative Preferred Shares.....		62,500.00
		<u>268,525.43</u>
ADD: Profit for the year ended 31 December, 1929.....	\$359,813.38	
LESS: Dividends on Preferred Stock.....	109,181.35	250,632.03
		<u>\$519,157.46</u>

Canadian Power & Paper Investments, Limited

Comparative Statement of Earnings

For Years Ending 31st December

	1928	1929
Revenue.....	\$144,607.09	\$275,205.63
Profits realized from Investments less appropriation to Investment Reserve.....	323,900.26	241,012.45
	<u>468,507.35</u>	<u>516,218.08</u>
Expenses.....	11,111.98	30,372.52
Taxes.....	1,750.00	1,032.18
	<u>12,861.98</u>	<u>31,404.70</u>
	<u>455,645.37</u>	<u>484,813.38</u>
LESS: Interest on Debentures.....	101,754.05	125,000.00
Reserve for Income Tax.....	25,000.00
	<u>126,754.05</u>	<u>125,000.00</u>
	328,891.32	359,813.38
LESS: Preferred Dividends.....		109,181.35
Surplus for the year.....	328,891.32	250,632.03
ADD: Previous Balance.....	D. 19,448.14	A. 268,525.43
Surplus Carried Forward.....	<u>\$309,443.18</u>	<u>\$519,157.46</u>

A. Adjusted.

D. Deficit.

