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Disher Steel Construction Company, Limited

80 COMMISSIONERS STREET
TORONTO, ONTARIO

Financial Statement

Year Ended 31st December, 1948



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**ANNUAL REPORT OF THE DIRECTORS
OF
DISHER STEEL CONSTRUCTION
COMPANY, LIMITED**

TO THE SHAREHOLDERS:

Your Directors have pleasure in presenting herewith their report and audited Balance Sheet and Profit and Loss Account of your Company for the fiscal year ending December 31, 1948.

Net Profit for the year, after making full allowance for depreciation of Fixed Assets, Reserve for Accounts Receivable, and Provision for Income Taxes amounted to \$219,049.31 as compared with \$77,811.22 for 1947.

After net additions to Fixed Assets of \$10,466.62 for necessary equipment, etc., the Net Current Asset position of your Company is \$295,759.87 as compared with \$179,547.39 for the previous year.

Dividends were declared, and charged to this year's business on the Class "A" Preference Share issue, \$5.62½ being distributed in 1948 and the balance of \$3.37½ on January 2nd, 1949. These payments are the equivalent of a full year's dividend requirement and an additional \$7.50 per share on account of arrears of dividends. There are now no arrears of dividends.

Total volume of business transacted and actual billings for the year increased substantially from that of the previous year. The particularly buoyant business experienced during 1948 may recede during 1949.

The accounts and books of the Company have been audited by Messrs. George A. Touche & Co., Chartered Accountants, and their certificate is appended.

Your Directors record their appreciation for the faithful and efficient services rendered by the Officers and Employees of the Company.

Respectfully submitted,

For the Directors,

THOS. E. BOYCE,

President and General Manager.

Toronto, April 11, 1949.

DISHER STEEL CONSTRUCTION

(Incorporated under the

BALANCE SHEET AT THE

ASSETS

CURRENT ASSETS:

Cash in Bank and on Hand.....		\$ 13,620.07
Accounts Receivable:		
Trade Accounts.....	\$447,019.93	
Sundry Debtors.....	1,750.15	
Due by Employees—Savings Bond Purchases.....	16,367.00	
	\$465,137.08	
Less: Reserve for Doubtful Accounts.....	11,000.00	
		454,137.08
Inventories as certified by responsible officials:		
Material and Supplies at estimated cost not in excess of market.....	\$187,875.18	
Less: Reserve for Possible Decline in Inventory Values.....	30,000.00	
	\$157,875.18	
Work in Progress at actual labour and estimated material cost, less billings applied.....	40,727.14	
		198,602.32
		\$666,359.47
REFUNDABLE PORTION OF EXCESS PROFITS TAX		3,782.93
FIXED ASSETS—at book value:		
Buildings, Machinery and Equipment.....	\$347,607.74	
Less: Reserve for Depreciation.....	292,826.34	
	54,781.40	
DEFERRED CHARGES.....		2,553.19
GOODWILL.....		200,000.00

\$927,476.99

To the Shareholders,
Disher Steel Construction Company Limited,
Toronto, Canada.

We have examined the books and accounts of Disher Steel Construction Company Limited of the accounting methods and carried out a test of the transactions recorded for the year. Based on that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the assets and liabilities of the company at the end of the year, based on the best of our information and the explanations given to us and as shown by the books of the company.

Dated at Toronto, Ontario,
4th April, 1949.

TION COMPANY, LIMITED

(Ontario Companies Act)

DECEMBER 31st 1948

LIABILITIES AND CAPITAL

CURRENT LIABILITIES:

Accounts Payable, including additional costs on unsettled contracts.....	\$183,165.74
Accrued Charges, including Reserve for Estimated Income and Excess Profits Taxes.....	146,076.39
Accounts billed in advance of completion of contracts.....	41,357.47
	<u>\$370,599.60</u>

CAPITAL STOCK:

Authorized—

15,000 Class "A" Cumulative Redeemable Preference Shares without nominal or par value.

31,500 Common Shares without nominal or par value.

Issued—

15,000 Class "A" Cumulative Redeemable Preference Shares without nominal or par value, of which 3,438 shares have been redeemed and cancelled... \$242,802.00

22,500 Common Shares without nominal or par value..... 105,000.00

347,802.00

RESERVE—PROFIT ON REDEMPTION OF PREFERENCE SHARES.....

12,893.98

PROFIT AND LOSS ACCOUNT:

Balance at the 1st January, 1948..... \$ 93,190.10

Add: Profit for year—Statement II..... \$219,049.31

Less: Appropriation for possible decline in inventory values.. 12,000.00

207,049.31

\$300,239.41

Deduct: Dividends paid on Preference Shares:

Arrears to 1st November, 1947..... \$ 86,715.00

Current to 1st November, 1948..... 17,343.00

104,058.00

196,181.41

\$927,476.99

for the year ended the 31st December, 1948. In connection therewith we made a general review upon such examination we report that all our requirements as auditors have been complied with and correct view of the state of the Company's affairs at the 31st December, 1948, according to company.

GEORGE A. TOUCHE & CO.,
Chartered Accountants,
Auditors.

**DISHER STEEL CONSTRUCTION
COMPANY, LIMITED**

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED THE 31ST DECEMBER, 1948

Profit for year after charging Manufacturing cost and additional costs on unsettled contracts, Administration and other expenses, but before provision for the undermentioned items:.....	\$369,797.11
<i>Add:</i> Other Income.....	660.00
	\$370,457.11
Provision for Depreciation on Buildings, Machinery and Equipment.....	23,514.67
	\$346,942.44
Provision for Income Taxes.....	127,893.13
PROFIT FOR YEAR—Statement I.....	\$219,049.31
	\$219,049.31

