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DISHER STEEL CONSTRUCTION COMPANY,
LIMITED

ANNUAL REPORT
DECEMBER 31ST, 1950

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OFFICERS

THOS. E. BOYCE - - - - - *President and General Manager*
W. J. H. DISHER - - - - - *Assistant General Manager*
F. MATTHEWS - - - - - *Vice-President*
DONALD H. ROWAN, K.C. - - - - - *Secretary*
A. B. LOCKLEY - - - - - *Treasurer*

DIRECTORS

B. N. BARRETT - - - - - *Toronto*
THOS. E. BOYCE - - - - - *Toronto*
H. E. COCHRAN - - - - - *Toronto*
W. J. H. DISHER - - - - - *Toronto*
A. B. LOCKLEY - - - - - *Toronto*
F. MATTHEWS - - - - - *Toronto*
G. F. STEVENS - - - - - *Toronto*

BANKERS

THE ROYAL BANK OF CANADA

SOLICITOR

DONALD H. ROWAN, K. C.

REGISTRAR & TRANSFER AGENTS

MONTREAL TRUST COMPANY

AUDITORS

GEORGE A. TOUCHE & CO.

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 Statement of Net Earnings, of your Company for the fiscal year ending December 31, 1950.

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 \$92,177, as compared with \$123,497, in 1949.

The net current asset position of your Company, as of December 31, 1950, was \$410,953, as compared with \$330,278, as of December 31, 1949. This figure represents a further increase in working capital after purchase of new equipment for both our shop and erection departments.

During 1950 a total of \$1.50 per share was paid on the Class "A" Preference Shares, representing the full year's regular dividend. Dividends on the Common Shares paid during the year amounted to \$1.00 per share.

Unfinished contracts and new orders on hand are of satisfactory volume. However, defence requirements have reduced the volume of structural steel available for building construction unless the building is of an essential defence nature. This will extend some of our contracts over a longer period than heretofore. We have several defence projects on hand at the present time and expect that more of this type of work will be available shortly.

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 wish to express 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, 1951

D I S H E R S T E E L C O N S T R U C

(Incorporated under The

BALANCE SHEET

At the 31st December

(with 1949 figures for comparison)

	1950	1949
ASSETS		
CURRENT ASSETS		
Cash on hand.....	\$ 500.00	\$ 500.00
Accounts receivable		
Trade.....	\$373,259.71	
Less: Allowance for doubtful accounts.....	2,000.00	
	371,259.71	
Tender deposits.....	18,545.00	
Sundry.....	1,114.77	
	390,919.48	304,696.31
Refundable portion of excess profits tax.....	2,290.57	4,247.95
Inventories		
Material and supplies at estimated cost not in excess of market .	225,439.08	
Work in progress at actual labour and estimated material cost less billings applied.....	60,024.73	
	285,463.81	329,480.69
Prepaid expenses		
Prepaid insurance premiums.....	4,301.50	
Prepaid pension contributions, employees.....	6,675.74	
	10,977.24	1,579.88
	690,151.10	640,504.83
FIXED ASSETS		
Buildings, machinery and equipment		
—at book value.....	393,925.40	
Less: Accumulated provision for depreciation.....	317,920.35	
	76,005.05	76,626.38
SUNDRY INVESTMENT—at cost.....	1,399.95	—
GOODWILL.....	200,000.00	200,000.00

This is the Balance Sheet referred to in our report dated the 4th April, 1951.

George A. Touche & Co.

Chartered Accountants, Auditors.

\$967,556.10

\$917,131.21

TION COMPANY, LIMITED

(Ontario Companies Act)

SHEET

December 1950

(for purpose of comparison)

LIABILITIES

	1950	1949
CURRENT LIABILITIES		
Bank overdraft.....	\$ 20,663.97	\$ 2,602.06
Demand loan payable to bank.....	20,000.00	55,000.00
Accounts payable and accrued charges.....	95,314.00	151,834.81
Provision for income and other taxes.....	37,906.41	53,661.41
Accounts billed in advance of completion of contracts.....	105,313.50	47,128.93
	279,197.88	310,227.21

SHAREHOLDERS' EQUITY

CAPITAL STOCK

Authorized:

15,000 Class "A" cumulative
redeemable \$1.50 pre-
ference shares without
nominal or par value

31,500 Common shares without
nominal or par value

Issued:

15,000 Preference shares of which
4,285 shares have been
redeemed and cancelled .. \$225,015.00

22,500 Common shares..... 105,000.00

330,015.00 331,800.00

RESERVE—PROFIT ON REDEMPTION OF PREFERENCE SHARES

10,471.48 10,726.48

EARNINGS RETAINED FOR USE IN THE BUSINESS

Balance at the 1st January 1950 264,377.52

Deduct:

Dividends paid
on preference
shares to the 1st
November 1950. \$16,183.13

Dividends paid on
common shares . 22,500.00

38,683.13

225,694.39

Add:

Transfer of Reserve for pos-
sible decline in inventory value 30,000.00

Net earnings for the year..... 92,177.35

347,871.74 264,377.52

COMMITMENT for purchase of
steel—\$175,000

\$967,556.10 \$917,131.21

DISHER STEEL CONSTRUCTION COMPANY, LIMITED

STATEMENT OF NET EARNINGS

FOR THE YEAR ENDED THE 31st DECEMBER 1950

(with 1949 figures for purpose of comparison)

	1950	1949
Net earnings for the year after charging all costs and administration and other expenses, but before the undermentioned items.....	\$157,894.83	\$215,479.66
Other income.....	9,217.66	7,584.33
	<hr/>	<hr/>
	167,112.49	223,063.99
Provision for depreciation on buildings, machinery and equipment.....	14,928.27	21,482.88
	<hr/>	<hr/>
	152,184.22	201,581.11
Provision for taxes on income.....	60,006.87	78,084.07
	<hr/>	<hr/>
Net earnings for the year.....	\$ 92,177.35	\$123,497.04
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NOTE: The reducing balance method of computing depreciation has been adopted but no appreciable difference in the amount of the provision resulted.

GEORGE A. TOUCHE & Co.

CHARTERED ACCOUNTANTS

MONTREAL, TORONTO, WINNIPEG,
REGINA, EDMONTON, CALGARY,
VANCOUVER, VICTORIA

67 YONGE STREET
TORONTO

REPRESENTED IN THE
UNITED STATES OF AMERICA
AND GREAT BRITAIN

To the Shareholders,

DISHER STEEL CONSTRUCTION COMPANY, LIMITED

We have examined the books and accounts of Disher Steel Construction Company, Limited for the year ended the 31st December 1950. In connection therewith we made a general review of the accounting methods and carried out tests of the transactions recorded for the year. Based upon such examination we report that all our requirements as auditors have been complied with and that, in our opinion, the attached balance sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at the 31st December 1950 according to 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, 1951.

GEORGE A. TOUCHE & Co.
Chartered Accountants, Auditors

