

C  
stock

CANADA

IRON

FOUNDRIES

L I M I T E D

THIRTY-FOURTH

Annual Report

1 9 4 9



**C A N A D A   I R O N   F O U N D R I E S**  
**L I M I T E D**

**DIRECTORS**

D. W. FRASER . . . . . New York, N.Y.  
W. J. LANGSTON . . . . . Montreal, P.Q.  
T. McC. HUTCHISON . . . . . Montreal, P.Q.  
A. D. McCALL . . . . . Montreal, P.Q.  
J. H. DOUGHERTY . . . . . Montreal, P.Q.  
GARFIELD KILPATRICK . . . . . Cobleskill, N.Y.  
A. F. McLACHLIN . . . . . Montreal, P.Q.  
E. E. RITCEY . . . . . Toronto, Ont.  
F. J. NEALE . . . . . Toronto, Ont.

**OFFICERS**

D. W. FRASER . . . . . *Chairman of the Board*  
W. J. LANGSTON . . . . . *Pres. and Gen. Mgr.*  
J. H. DOUGHERTY . . . . . *Vice-President*  
M. S. GROGAN . . . . . *Vice-Pres. and Sec.-Treas.*

**TRANSFER AGENTS**

MONTREAL TRUST COMPANY . . . . . Montreal, P.Q.  
MONTREAL TRUST COMPANY . . . . . Toronto, Ont.

**REGISTRARS**

CANADIAN TRUST COMPANY . . . . . Montreal, P.Q.  
MONTREAL TRUST COMPANY . . . . . Toronto, Ont.

**GENERAL OFFICES**

921 SUN LIFE BUILDING . . . . . Montreal, P.Q.



**C A N A D A I R O N F O U N D R I E S**  
**L I M I T E D**

Montreal, February 28th, 1950.

*To the Shareholders:*

Your Directors submit herewith the Thirty-Fourth Annual Report covering the operations of your Company for the year ended December 31st, 1949, together with Balance Sheet and Profit and Loss Account for this period.

The net profit, after deducting all charges but including dividends from Subsidiary Companies amounted to \$728,286.42, as compared with \$879,009.50 for the previous year. Dividends paid during the year amounted to a total of \$353,895.40.

The surplus brought forward at the end of 1949 amounted to \$3,906,600.37 as compared with \$3,527,577.13 as at the end of the year 1948.

Sales volume for the year, as expected, was somewhat lower than in the previous year, with reduced sales prices, resulting in corresponding lower net earnings for the year. Present indications, however, are that production this year will be substantially the same as last year unless something unforeseen happens.

In order to modernize the cast iron pipe foundry operation at Three Rivers, Quebec, your Directors authorized an expenditure of \$385,000.00 to cover the cost of a modern DeLavaud centrifugal pipe casting installation covering all sizes from 4" to 16" diameter, 16' 0" long. It is planned to have this unit in operation May 1st, 1950, and substantial returns are expected as a result of this investment.

During the year adjustments were made in our labour agreements comprising reduced working hours and labour rate adjustments to compensate, all changes being made to the satisfaction of all parties involved, resulting in continued happy relations with our employees.

A dividend of 30c per share on the Preference and 40c per share on the Common Shares was paid on November 1st, 1949, for the half year ended June 30th, 1949. A further dividend of 30c per share on the Preference and 40c per share on the Common shares, for the half year ended December 31st, 1949, has been declared payable on April 15th, 1950.

All Plants of your Company and Subsidiary Companies have been maintained in sound physical condition, improvements having been made, where necessary, in order to meet changing competitive conditions.

At a Meeting of Directors held April 25th, 1949, Mr. D. W. Fraser was elected Chairman of the Board and Mr. F. J. Neale was elected a Director of the Company replacing the late Mr. J. A. Kilpatrick.

Your Directors wish to record their appreciation of the loyal and efficient service rendered by the Executive Officers, Staff, and Employees of your Company, as well as all Subsidiary Companies, during the past year which was one of rapidly changing conditions due to many economic difficulties occurring during this period of readjustment.

Submitted on behalf of the Board.

W. J. LANGSTON,  
*President.*

# C A N A D A I R O N

L I M I T E D

M O N T R E A L

## B A L A N C E S H E E T A S A T

### A S S E T S

#### CAPITAL ASSETS:

|   |                |                |
|---|----------------|----------------|
| Real Estate, Buildings, Machinery, etc., and Goodwill (acquired October 1st, 1915) at Cost, plus Additions, less Realizations to date . . . . . | \$9,088,561.74 |                |
| Less: Reserve for Depreciation . . . . .  | 5,032,003.23   | \$4,056,558.51 |

#### SHARES IN AND AMOUNTS OWING BY SUBSIDIARY COMPANIES:

|                         |              |              |
|-------------------------|--------------|--------------|
| Shares . . . . .        | 3,270,647.25 |              |
| Amounts Owing . . . . . | 28,606.59    | 3,299,253.84 |

#### CURRENT ASSETS:

|  |              |              |
|--|--------------|--------------|
| Inventories—As determined and certified to by responsible Officials of the Company and valued as follows:                              |              |              |
| Raw Materials and Supplies, at the lower of cost or market, Work in Progress and Manufactured Product, at Manufacturing Cost . . . . . | 2,216,315.39 |              |
| Accounts Receivable, less Reserve for Doubtful Debts . . . . .   | 948,289.48   |              |
| Refundable Portion of Excess Profits Taxes . . . . .   | 38,178.79    |              |
| Government Bonds, at Cost . . . . .<br>(Market Value \$307,637.50)   | 304,137.50   |              |
| Marketable Securities, at Cost less Reserve . . . . .<br>(Market Value \$40,877.10)  | 26,540.74    |              |
| Call Loan . . . . .  | 100,000.00   |              |
| Cash in Banks and on Hand . . . . .  | 416,284.95   | 4,049,746.85 |

#### DEFERRED CHARGES TO FUTURE OPERATIONS:

|   |  |                 |
|---|--|-----------------|
| Insurance, Taxes, etc., Unexpired . . . . . |  | 8,336.95        |
|   |  | \$11,413,896.15 |

To the Shareholders,

*Canada Iron Foundries, Limited—*

We have examined the books and accounts of Canada Iron Foundries, Limited, for the year ended 31st December, 1949, and have obtained all the information and explanations we have required. In our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

MONTREAL, 27th February, 1950.

# FOUNDRIES

T E D

QUEBEC

31ST DECEMBER, 1949

## LIABILITIES

### CAPITAL STOCK:

Authorized:

|   |                 |                 |
|---|-----------------|-----------------|
| 450,000—6% Non-Cumulative Preference Shares of \$10.00 each . . . . . | \$ 4,500,000.00 |                 |
| 1,000,000—Common Shares of \$10.00 each . . . . .                     | 10,000,000.00   |                 |
|   |                 | \$14,500,000.00 |

Issued:

|  |              |                |
|--|--------------|----------------|
| 28,547—6% Non-Cumulative Preference Shares of \$10.00 each . . . . . | 285,470.00   |                |
| 420,959—Common Shares of \$10.00 each . . . . .                      | 4,209,590.00 | \$4,495,060.00 |

(NOTE: Upon certain terms and conditions and with the consent of the holders, the Preference Shares are redeemable by purchase in whole or in part at prices not exceeding the capital paid up thereon and the Company may issue shares or other securities in payment of the purchase price thereof.)

### CURRENT LIABILITIES:

|   |            |              |
|---|------------|--------------|
| Accounts Payable, Pay Rolls, etc. . . . .                             | 817,252.84 |              |
| Dominion and Provincial Income Taxes . . . . .                        | 70,677.29  |              |
| Dividend of 3% on Preference Shares Payable 15th April, 1950. . . . . | 8,564.10   |              |
| Dividend of 4% on Common Shares Payable 15th April, 1950. . . . .     | 168,383.60 |              |
| Unclaimed Dividends . . . . .   | 26,523.84  | 1,091,401.67 |

### UNCLAIMED WAGES AND OTHER UNADJUSTED CLAIMS . . . . .

GENERAL RESERVE . . . . . 936,000.00

CAPITAL SURPLUS . . . . . 981,640.00

EARNED SURPLUS Balance as per Statement herewith . . . . . 3,906,600.37

\$11,413,896.15

Approved on behalf of the Board:

(Signed) W. J. LANGSTON }  
F. J. NEALE } Directors.

Pursuant to Section 114 of the Dominion Companies' Act, we report that the profits of the Company for the year ended 31st December, 1949, include Dividends from three Subsidiary Companies which were not in excess of the profits earned by those Subsidiaries for the year. Profits earned during the year by the remaining Subsidiary Companies have not been included in the above accounts.

(Sgd.) STEVENSON, WALKER, KNOWLES & Co.,  
Chartered Accountants.

# CANADA IRON

L I M I T E D

M O N T R E A L

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st DECEMBER, 1949

|   |                       |
|---|-----------------------|
| By Profit on Operations after deducting Selling and Administrative Expenses . . . . . | \$ 777,379.71         |
| Dividends—Subsidiary Companies . . . . .  | 445,000.00            |
| Income from Investments . . . . .   | 10,302.18             |
|   | <u>\$1,232,681.89</u> |

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|  |                       |
|--|-----------------------|
| To Depreciation on Plant and Machinery . . . . .                         | \$ 232,682.65         |
| Dominion and Provincial Income Taxes . . . . .                           | 189,723.54            |
| Remuneration of Executive Officers and Salaried Directors . . . . .      | 79,394.28             |
| Provision for Bad and Doubtful Debts . . . . .                           | 1,500.00              |
| Legal Fees . . . . .   | 1,095.00              |
| Net Profit for the Year carried to Statement of Earned Surplus . . . . . | 728,286.42            |
|  | <u>\$1,232,681.89</u> |

Statement Pursuant to Section 113 (1) Dominion Companies' Act:

The Total Remuneration received by Directors of the Company  
(excluding Salaried Directors) including amounts paid  
by Subsidiary Companies amounted to \$52,010.02.



# F O U N D R I E S

T E D

Q U E B E C

## STATEMENT OF EARNED SURPLUS

FOR THE YEAR ENDED 31st DECEMBER, 1949

|  |                       |
|--|-----------------------|
| By Balance as at 31st December, 1948 . . . . .                   | \$3,527,577.13        |
| Net Profit for the Year as per Profit and Loss Account . . . . . | 728,286.42            |
| Profit on Sale of Securities . . . . .                           | 4,632.22              |
|  | <u>\$4,260,495.77</u> |

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|  |                       |
|--|-----------------------|
| To Dividend on Preference Shares . . . . . | \$ 17,128.20          |
| Dividend on Common Shares . . . . .        | 336,767.20            |
| Balance as per Balance Sheet . . . . .     | 3,906,600.37          |
|  | <u>\$4,260,495.77</u> |

*Montreal, 27th February, 1950, audited and verified,*

(Sgd.) STEVENSON, WALKER, KNOWLES & Co.,

*Chartered Accountants.*

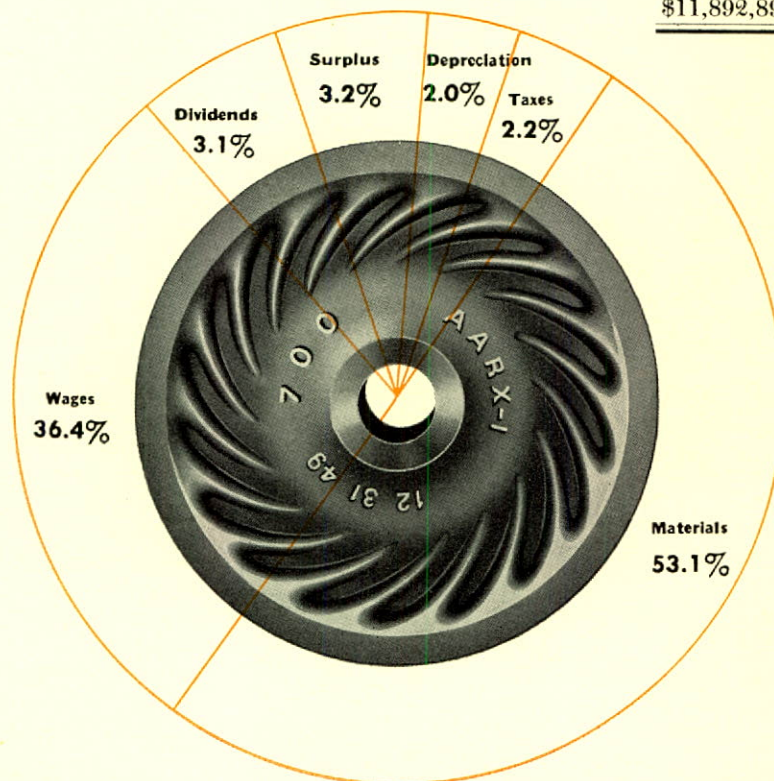
**CANADA  
IRON  
FOUNDRIES  
LIMITED**

**DISTRIBUTION  
OF EACH DOLLAR  
OF 1949 RECEIPTS**

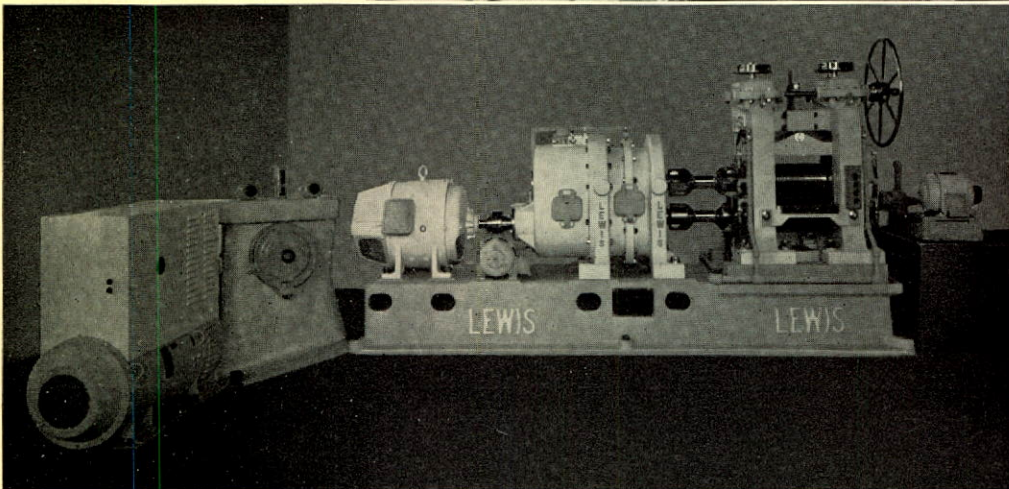
|  |                        |               |
|--|------------------------|---------------|
| Net Sales and Income from Securities . . . . . | \$11,447,897.21        |               |
| Dividends from Subsidiary Companies . . . . .  | 445,000.00             |               |
| <b>TOTAL REVENUES WERE . . . . .</b>           | <u>\$11,892,897.21</u> | <u>100.0%</u> |

**THESE WERE USED AS FOLLOWS:**

|  |                        |               |
|--|------------------------|---------------|
| <b>MATERIALS</b> . . . . .   | \$ 6,314,797.09        | 53.1%         |
| Materials Supplies and Other Expenses  |                        |               |
| <b>WAGES</b> . . . . .   | 4,353,091.52           | 36.4%         |
| Wages, Salaries, Unemployment and Group Insurance                                    |                        |               |
| <b>TAXES</b> . . . . .   | 259,407.31             | 2.2%          |
| Dominion, Provincial and Municipal (Excluding Sales Taxes)                           |                        |               |
| <b>DEPRECIATION</b> . . . . .  | 232,682.65             | 2.0%          |
| Amount provided for Depreciation of Plant and Equipment                              |                        |               |
| <b>DIVIDENDS</b> . . . . .   | 353,895.40             | 3.1%          |
| Preference—\$ .60 per Share  |                        |               |
| Common —\$ .80 per Share   |                        |               |
| <b>SURPLUS</b> . . . . .   | 379,023.24             | 3.2%          |
| Amount left after paying dividends, invested in new construction<br>and other assets |                        |               |
|  | <u>\$11,892,897.21</u> | <u>100.0%</u> |



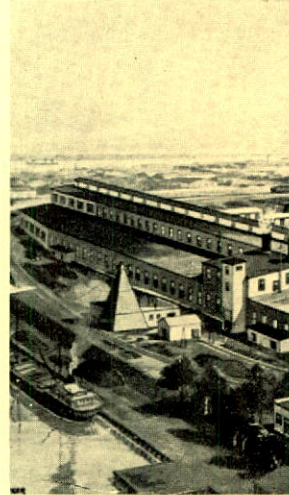
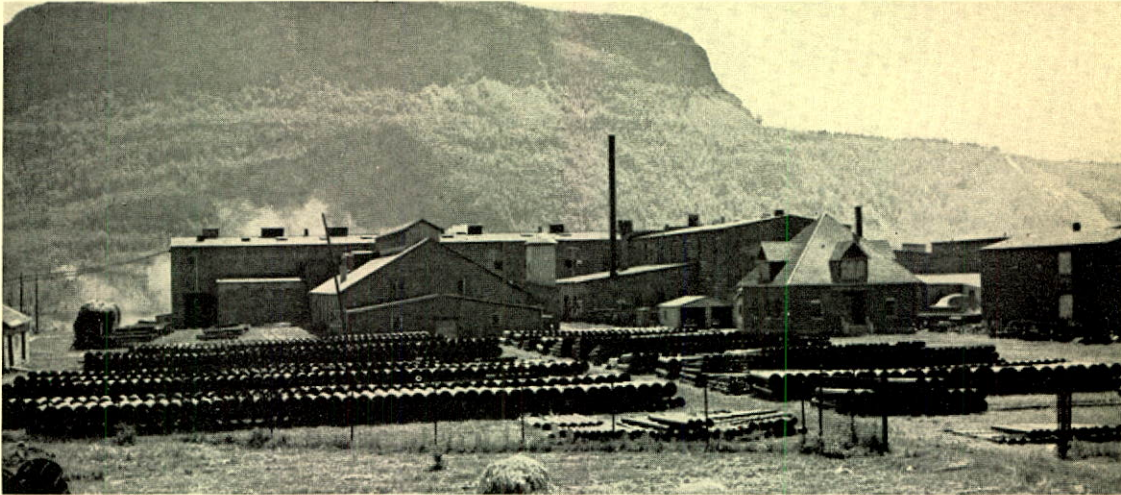
INTERIOR  
VIEW OF ONE  
OF THE  
CASTING  
FOUNDRIES



10" TWO HIGH  
ROLLING MILL  
FOR HIGH GRADE  
ALLOY STEELS

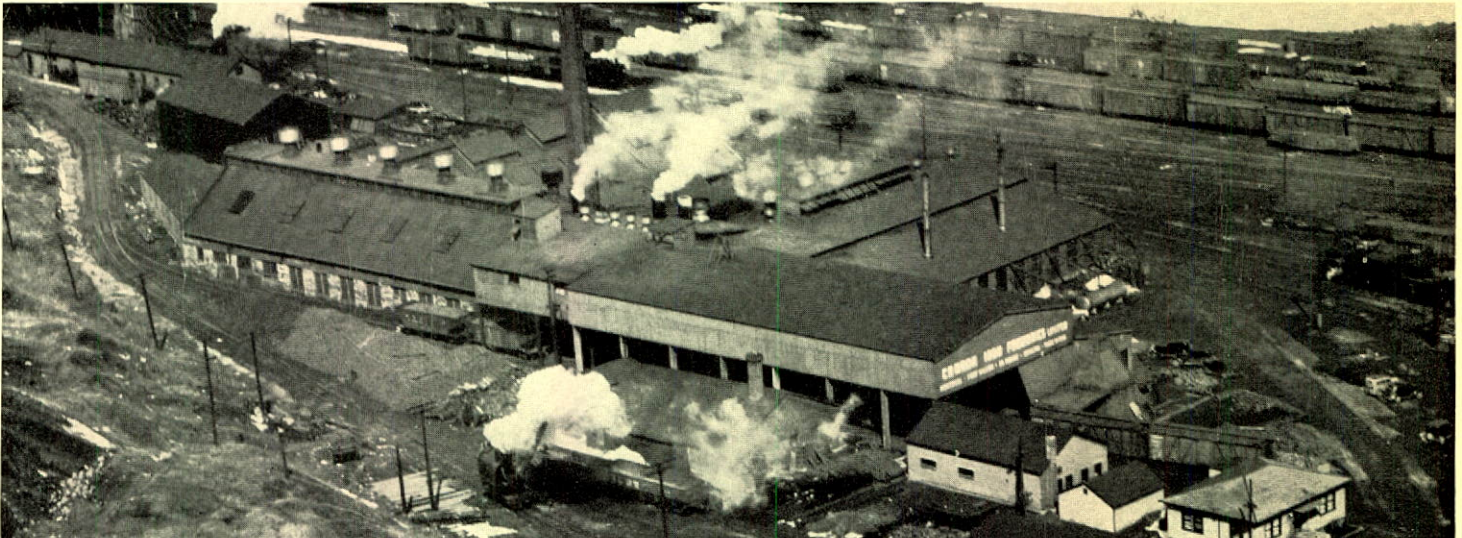
INTERIOR VIEW  
OF ONE OF  
THE MACHINE  
SHOPS

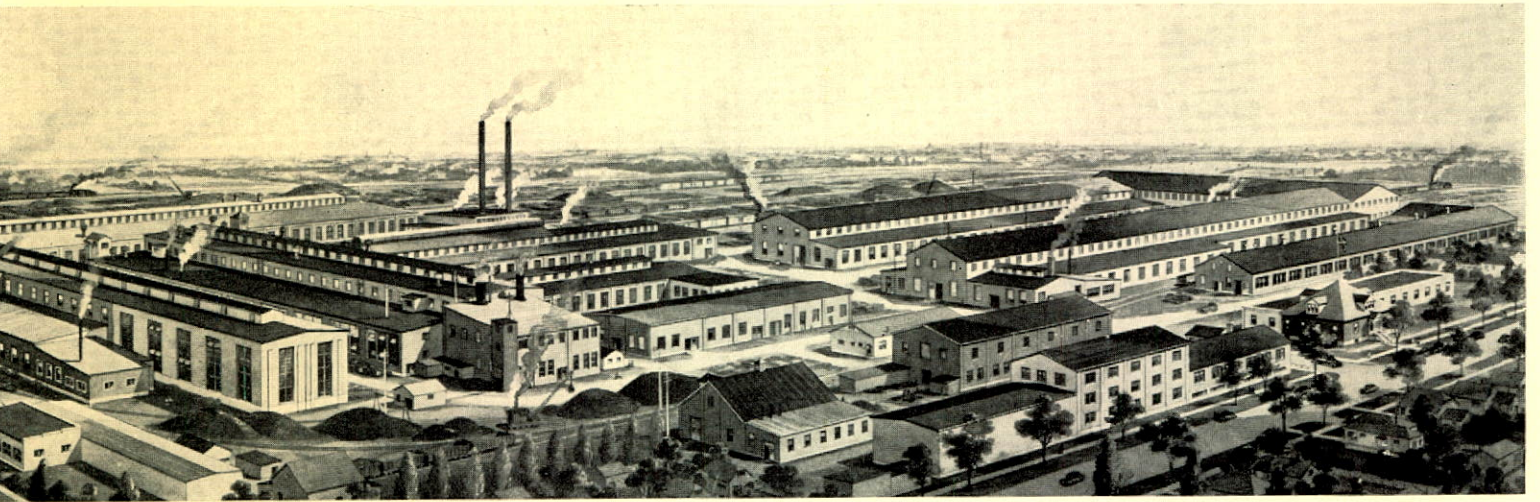




F O R T W I L L I A M , O N T A R I O , P L A N T

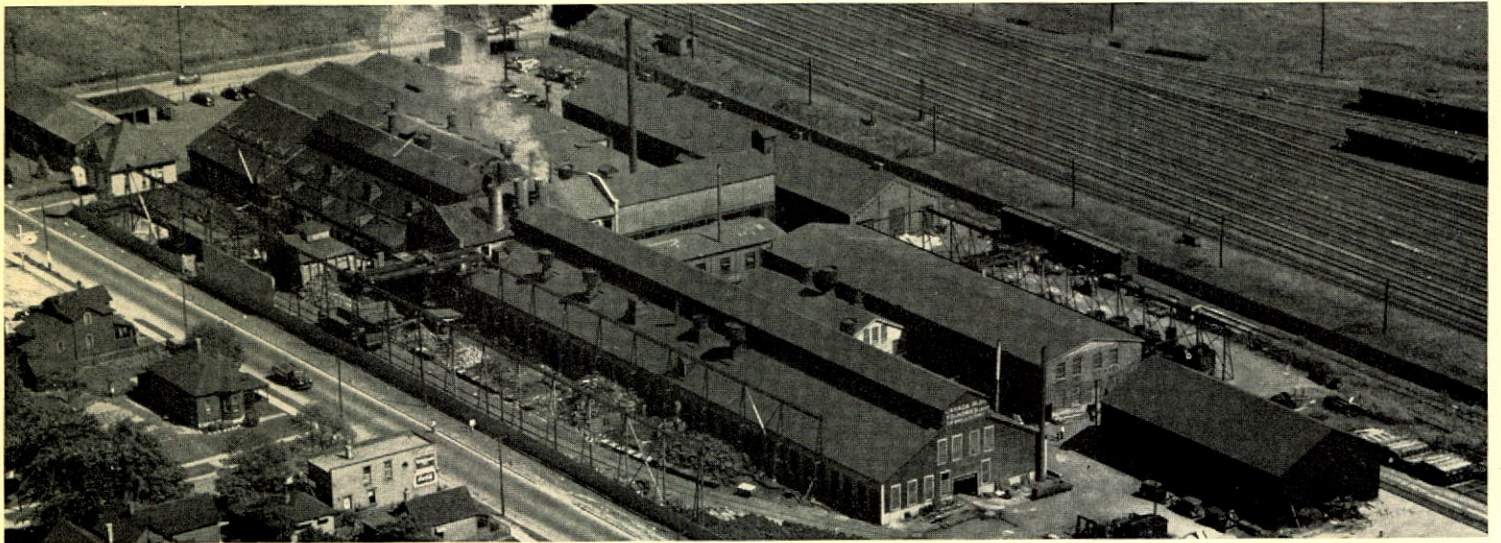
H A M I L T O N , O N T A R I O , P L A N T

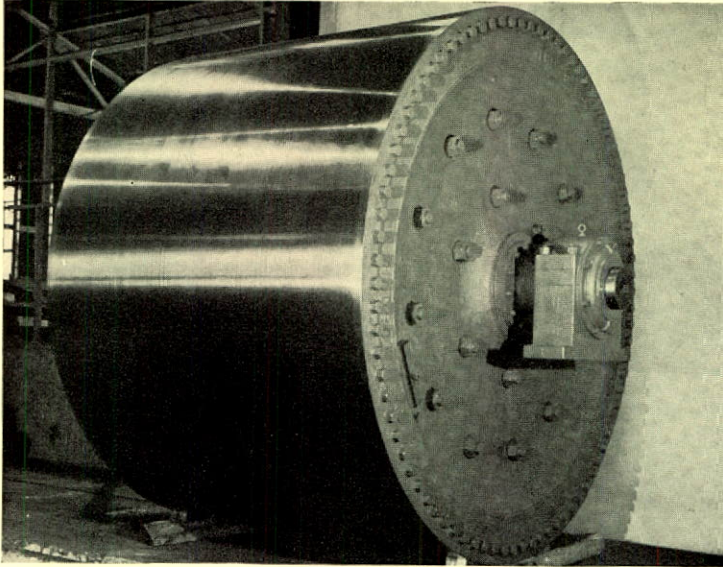




*T H R E E R I V E R S , Q U E B E C , P L A N T*

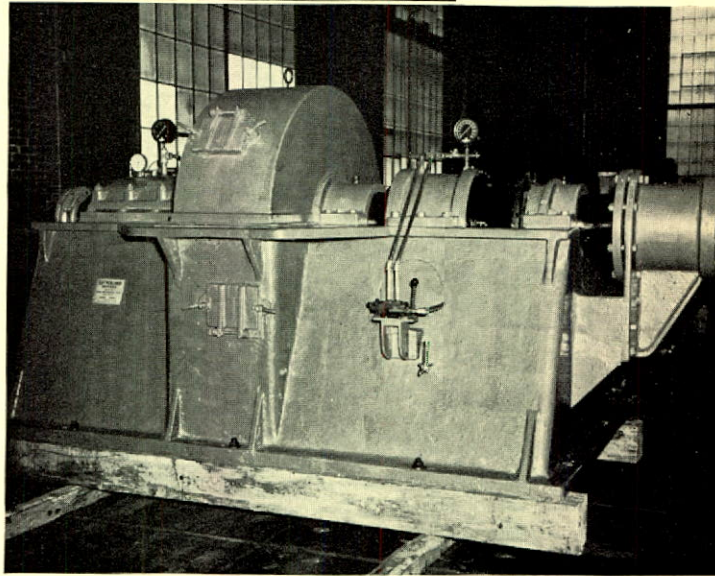
*S T . T H O M A S , O N T A R I O , P L A N T*



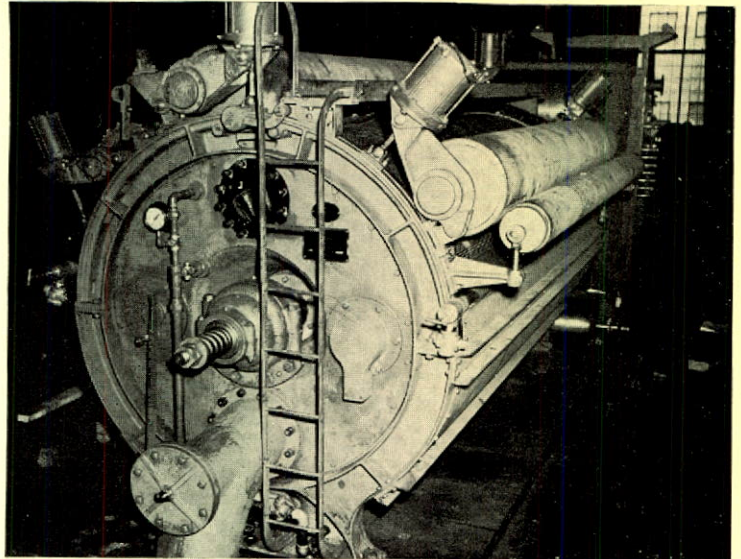


144" DIAMETER x 153"  
FACE YANKEE DRYER  
WEIGHING 55 TONS

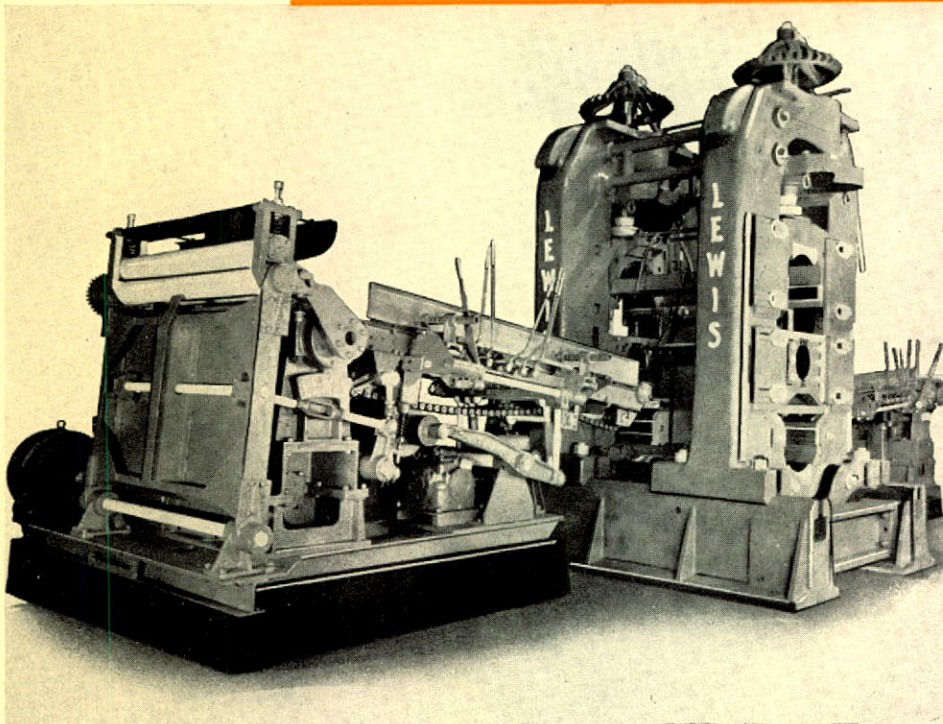
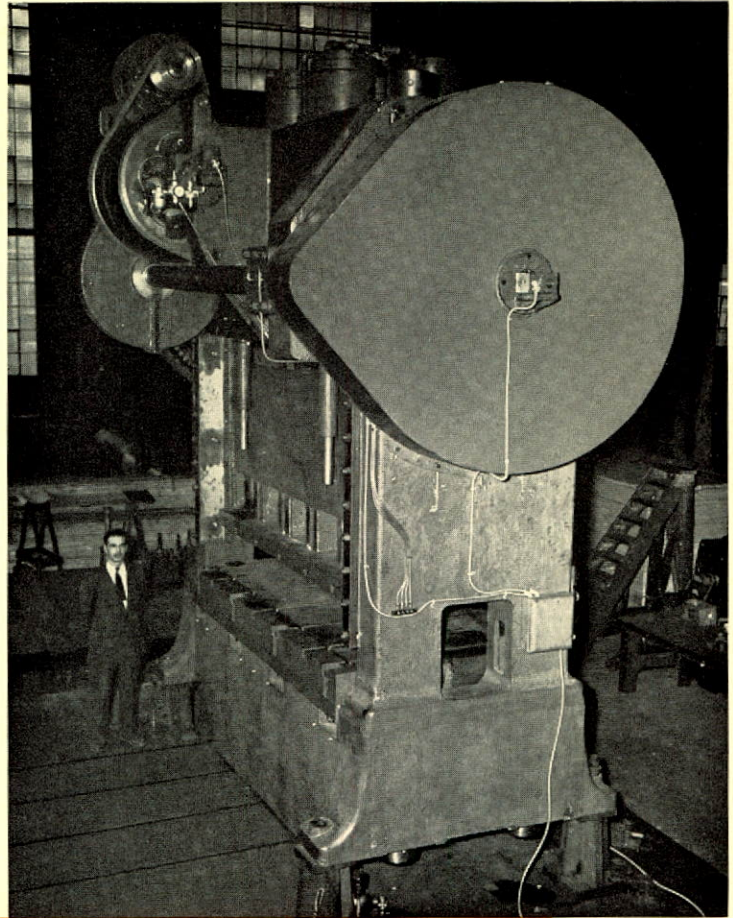
48" x 48" SUTHERLAND  
WOOD PULP REFINER



79" SUCTION MOULD



50-8-108 MINSTER PRESS



33" THREE HIGH  
ROLLING MILL

**CANADA**

**IRON**

**FOUNDRIES**

**LIMITED**

**MODERN ENGINEERING OFFICES,**

**FOUNDRIES,**

**MACHINE SHOPS AND PATTERN SHOPS**

**FORT WILLIAM, ST. THOMAS, HAMILTON, ONTARIO, AND THREE RIVERS, QUEBEC**

**FOR THE  
PAPER INDUSTRY**

Complete line of KAMYR Wet  
Machines for sulphite, sulphate  
and ground wood.  
SUCTION MOULDS  
ROTARY PRESSES  
HYDRAULIC PRESSES  
STEAM DRYERS  
SHEET CUTTERS  
FLAKT DRYERS  
DRIVES OF VARIOUS TYPES  
CIRCULATING PUMPS  
STOCK PUMPS  
COMPLETE LINE OF  
BLEACHING EQUIPMENT  
STOCK VALVES  
PIPING—STANDARD AND SPECIAL  
FLAT SCREENS  
FILTERS  
ROTARY SCREENS  
PULP WASHERS  
DIGESTER PIPING AND  
CIRCULATING EQUIPMENT  
PULPERS  
HYDRATERS  
GRINDERS  
BEATERS  
CHIPPERS  
CHIP SCREENS  
KNOTTERS  
REFINERS  
CYLINDER DRYERS  
YANKEE DRYERS  
PAPER ROLL HEAD SEALING PRESSES  
EVAPORATORS

**GENERAL  
CASTINGS**

DELVAUD CENTRIFUGALLY CAST PIPE  
BELL AND SPIGOT PIPE FOR  
WATER WORKS AND GAS  
FLANGE PIPE FOR ALL PURPOSES  
BALL JOINT PIPE  
FITTINGS FOR ALL TYPES OF PIPES  
FIRE HYDRANTS  
CHILLED CAR WHEELS  
INGOT MOULDS AND STOOLS  
LOCOMOTIVE AND  
MARINE ENGINE CASTINGS  
MINING MACHINERY CASTINGS  
BALL AND ROLL MILL LINER PLATES  
MACHINERY CASTINGS  
PRESSURE CASTINGS  
ACID POTS  
SETTLING PANS  
GENERAL MACHINERY CASTINGS  
GRATE BARS  
MANHOLE FRAMES AND COVERS  
GULLIES  
NI-RESIST AND NI-HARD CASTINGS  
ALLOYED CASTINGS TO  
SPECIFICATIONS  
ALL TYPES OF CASTINGS  
UP TO 50-TON  
PRODUCTION CASTINGS



**CANADA  
IRON  
FOUNDRIES  
LIMITED**

**MODERN ENGINEERING OFFICES,  
FOUNDRIES,  
MACHINE SHOPS AND PATTERN SHOPS**

FORT WILLIAM, ST. THOMAS, HAMILTON, ONTARIO, AND THREE RIVERS, QUEBEC

**ROLLING MILLS FOR  
STEEL, ALUMINUM  
AND BRASS**

2, 3 AND 4 HIGH SHEET  
AND BAR MILLS

TILT TABLES

MECHANICAL AND ELECTRIC DRIVES

COILERS

TENSION REELS

RUN-IN AND RUN-OUT TABLES

CONVEYING AND REVERSING TABLES

COOLING BEDS

SQUARING MECHANISM

BAR SHEARS

PLATE SHEARS

LEVELLERS

ROLLS

MANIPULATORS

HYDRAULIC FORGING PRESSES

MECHANICAL PRESSES

ROLL CHANGING EQUIPMENT

PILING MECHANISM

**MISCELLANEOUS  
MACHINERY AND  
EQUIPMENT**

MARINE ENGINES

MILK DRYING MACHINES

BALL MILLS

CLASSIFIERS

CRUSHERS

FILTER PLANT EQUIPMENT

VENTURE METERS

C.I. TANKS

C.I. STILLS AND TOWERS FOR  
GASOLINE AND CHEMICAL PLANTS

DRYERS FOR DYE AND

TEXTILE PLANTS





