

Corporation  
File

REPORT and STATEMENT

**DOMINION BRIDGE  
COMPANY LIMITED**

FOR YEAR ENDED

31st OCTOBER

**1947**



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ANNUAL

REPORT

*For the Fiscal Year  
Ended 31st October*

**1947**



# DOMINION BRIDGE COMPANY LIMITED

## DIRECTORS

*W. F. ANGUS.....	President and Managing Director
*W. TAYLOR-BAILEY.....	Vice-President and General Manager
L. J. BELNAP.....	Montreal
JOHN BURNS.....	Calgary
C. H. CARLISLE.....	Toronto
*NORMAN J. DAWES.....	Montreal
T. R. DEACON.....	Winnipeg
ROSS H. McMASTER.....	Montreal
*G. H. MONTGOMERY, K.C.....	Montreal
HOWARD MURRAY.....	Montreal
W. G. MURRIN.....	Vancouver
*PAUL F. SISE.....	Montreal
R. E. STAVERT.....	Montreal
*H. G. WELSFORD.....	Montreal
JAMES WILSON.....	Montreal

\*Member of Executive Committee.

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HEAD OFFICE - LACHINE, P.Q.  
F. W. EVENS—Secretary-Treasurer

## EXECUTIVE OFFICERS

W. F. ANGUS.....	President and Managing Director
W. TAYLOR-BAILEY.....	Vice-President and General Manager
S. W. CAMPBELL.....	Vice-President and Manager Western Division
F. P. SHEARWOOD.....	Consulting Engineer
J. L. HEALD.....	Comptroller
F. W. EVENS.....	Secretary-Treasurer

## MANUFACTURING DIVISIONS AND OFFICES

Eastern Division.....	A. H. COWIE.....	Manager, Lachine, P.Q.
Ontario Division.....	G. P. WILBUR.....	Manager, Toronto, Ont.
Western Division.....	S. W. CAMPBELL.....	Vice-President, Winnipeg, Man.
Pacific Division.....	A. S. GENTLES.....	Manager, Vancouver, B.C.

## WHOLLY-OWNED SUBSIDIARY COMPANIES

Robb Engineering Works, Ltd.	J. F. F. Mackenzie, Gen. Man.	Amherst, N.S.
Sault Structural Steel Co. Ltd.	E. A. Kelly, Manager	Sault Ste. Marie, Ont.
Manitoba Bridge & Iron Works, Ltd.	H. A. MacKay, Manager	Winnipeg, Man.
Manitoba Rolling Mill Co., Ltd.	H. A. MacKay, Gen. Manager	Winnipeg, Man.
Riverside Iron Works, Ltd.	J. P. Carroll, Manager	Calgary, Alta.
The Standard Iron Works, Ltd.	R. M. Dingwall, Manager	Edmonton, Alta.

# DOMINION BRIDGE COMPANY LIMITED

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27th January, 1948.

To the Shareholders of

## DOMINION BRIDGE COMPANY, LIMITED

Your Directors submit the Annual Report of the Company together with the Balance Sheet as at 31st October, 1947 and the Profit and Loss Account for the year ended that date.

The result of the year's operations shows a net profit of \$1,051,844.41 after making provision for depreciation to the extent of \$556,681.62 and providing for income tax payable for which there has been reserved the sum of \$1,120,239.75.

Working capital as of 31st October, 1947 stands at \$11,061,000.00 in round figures as compared with \$11,145,000.00 at the end of the previous year, a decrease of \$84,000.00.

Net additions to fixed assets during the year amounted to \$879,010.32. The unexpended portion of authorizations for capital expenditure carried forward is approximately \$750,000.00.

You will note that the reserve accounts for Plant Extensions and Betterments, \$1,000,000.00 and for Accidents in Erection, \$181,358.36, which appeared in last year's Balance Sheet have been transferred to Surplus. In order to bring the total depreciation reserve as shown in the Balance Sheet into agreement with total depreciation as claimed in our income tax returns, the sum of \$1,035,454.58 has been transferred from Surplus.

During the year the Company's investment in the Dominion Hoist & Shovel Company Limited was sold to the Dominion Engineering Works, Limited. The balance of your Investments in Other Companies amounts to \$8,513.00 and, in order to simplify the Balance Sheet, this has been included with Investments in Government and Other Bonds & Securities.

A portion of a reserve of approximately 6½% of the value of the Investment in Bonds and Other Securities has been transferred back to Profit and Loss Account as, owing to the reduction in these investments, it is no longer necessary in its entirety.

You will note that a further contribution has been provided toward the cost of Past Service Income Credits under the pension plan. It is estimated that 75% of the total cost of these past service benefits has now been discharged. These payments are allowable as deductions from taxable income over a period of years.

The rehabilitation of your Company's plants and facilities is continuing with the object of ensuring the most economical manufacture of the Company's many and diverse products.

At Lachine the general office extension has been completed and is fully occupied. The new boiler house is almost completed

## DOMINION BRIDGE COMPANY LIMITED

and a new Heavy Assembly Shop is being constructed which will relieve the congestion in the Machine and Plate Shops and increase the overall capacity and efficiency of the Lachine Plant.

At Edmonton a new shop is being erected of a size sufficient to take care of plate, tank and structural work. This addition is necessary to enable your Company to take its part in the development of the district North and West of Edmonton.

The demand for your Company's products continues to be gratifying but all your plants are still handicapped by the difficulty in obtaining raw materials, and deliveries to customers have been, in many cases, seriously delayed on this account. Every effort is continuing to be made to overcome this condition.

The activity of your plants is reflected in the substantial increases in Expenditure on Uncompleted Contracts, Receivables and Inventories which account for the sharp increase in Bank Loans and Overdraft.

Stocks of raw materials and manufacturing supplies are well assorted and saleable and inventories have been taken at conservative prices.

Your Directors have declared quarterly dividends of thirty cents per share, a total of \$1.20 for the year.

Meetings of your Board of Directors have been held regularly, the books of your Company have been audited and the certificate of your Auditors appears on the Financial Statement herewith submitted.

Your Directors wish to record their appreciation of the loyalty and efficiency of the staff and employees throughout the Company's entire organization.

By Order of the Board of Directors,

W. F. ANGUS,  
President.

# DOMINION BRIDGE

AND WHOLLY OWNED

CONSOLIDATED BALANCE SHEET

## ASSETS

### Fixed Assets:

Real Estate, Plant, Machinery and Equipment.....	\$21,579,460.11	
<b>Less:</b> Depreciation Reserve.....	14,339,299.33	
		\$7,240,160.78*
Investments in Partly Owned Subsidiaries at Book Value—less Reserve....		2,113,368.05
		<u>\$ 9,353,528.83</u>

### Current Assets:

Cash on Hand and in Bank.....		1,193,099.24	
Government and Other Bonds and Securities (Approximate Market Value \$1,023,038.59).....		945,886.75	
Deposits on Tenders.....		235,888.67	
Expenditure on Uncompleted Contracts at Standard Cost less Reserve.....	\$17,890,093.46		
<b>Less:</b> Amounts received on account....	9,499,473.80		
		8,390,619.66	
Accounts and Bills Receivable less Reserve for Doubtful Accounts.....		2,748,385.37	
Stock of Steel, Supplies and Small Tools at cost, which is less than Market Value less Reserve.....		5,337,593.75	
			<u>18,851,473.44</u>
<b><u>2,649 Fully Paid No Par Value Shares</u></b>			
held by Trust Companies for sale to employees of Dominion Bridge Company, Limited.....			40,084.10

### Suspended Assets:

Unexpired Insurance Premiums, Taxes and Deferred Charges.....		205,695.41	
Refundable portion of Excess Profits Tax		1,848,827.87	
			<u>2,054,523.28</u>
			<u>\$30,299,609.65</u>

W. F. ANGUS, *Director*

W. TAYLOR-BAILEY, *Director*.



# COMPANY LIMITED

SUBSIDIARY COMPANIES

SHEET AS AT 31st OCTOBER 1947

## LIABILITIES

### Capital Stock:

Authorized—

600,000 shares of No Par Value

Issued:

513,951 shares of No Par Value..... \$15,921,366.00

Refundable Portion of Excess Profits Tax..... 1,848,827.87

### Earned Surplus Account:

Balance as per Profit and Loss Account..... 3,706,489.01

### Current Liabilities:

Bank Loans and Overdraft..... \$3,439,732.33

Dividend payable 25th November 1947..... 154,185.30

Reserve for Taxes..... 1,172,836.13

Sundry Accounts Payable..... 3,023,453.69

7,790,207.45

### Deferred Liability:

Balance of price of Fixed Assets purchased from Dominion Government..... 1,032,719.32

\$30,299,609.65

Montreal, 7th January, 1948.

Submitted in accordance with our report of even date on the Consolidated Balance Sheet of Dominion Bridge Company, Limited and wholly owned Subsidiary Companies.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON, Chartered Accountants,  
Auditors.

# DOMINION BRIDGE COMPANY LIMITED

AND

WHOLLY OWNED SUBSIDIARY COMPANIES

## CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st OCTOBER, 1947

Profits from Contracts, Interest and Exchange and Miscellaneous Income.....	\$ 2,846,939.78
Revenue from Investments.....	263,680.56
Profit on sale of Equipment and Securities (net).....	84,549.69
Transfer from Reserve for Government and Other Bonds no longer required.....	115,000.00
	3,310,170.03

**Deduct:**

Directors' Fees.....	\$ 24,560.00	
Executive Salaries.....	87,000.00	
Legal Fees.....	5,845.63	
Reserve for Taxes.....	1,120,239.75	
Depreciation on Plant, Machinery, etc.....	556,681.62	
Pension Fund—Contribution in respect of employees' past service.....	463,998.62	
	2,258,325.62	1,051,844.41

**Add:**

Balance at credit 1st November 1946.....	\$ 3,170,180.68	
Transfers from Reserves—		
For Plant Extensions and Betterments.....	1,000,000.00	
For Accidents in Erection.....	181,358.36	
	4,351,539.04	

**Deduct:**

Additional Provision for Depreciation of Plant and Equipment.....	\$ 1,035,454.58	
Adjustment of Prior years' Profits in respect of Vacation Pay, etc.....	44,698.66	
	1,080,153.24	3,271,385.80
		4,323,230.21

**Deduct:**

Dividend for year.....		616,741.20
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<b>Balance as at 31st October, 1947, as per Balance Sheet</b>		<b>\$ 3,706,489.01</b>
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**RIDDELL, STEAD, GRAHAM & HUTCHISON**

CHARTERED ACCOUNTANTS

460 ST. FRANCOIS XAVIER STREET, MONTREAL

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7th January, 1948.

To the Shareholders,

DOMINION BRIDGE COMPANY, LIMITED

We have examined the books and accounts of Dominion Bridge Company, Limited and its entirely owned Subsidiary Companies for the year ended 31st October 1947 and report thereon as follows:

The Inventories of Stock on hand, as certified by responsible officials of the various companies, have been valued on a conservative basis.

The Investments in which your Company is interested have been verified by actual inspection of the Securities or by certificate from the Depositaries in the cases where the Securities are deposited for safe custody or as security.

In accordance with Section 114 of the Dominion Companies' Act, we report that dividends received from partly owned subsidiaries, and included in these accounts, are in excess of this Company's share of the aggregate profits of these subsidiaries for the year by \$75,953.25 and to that extent have been paid from Surplus.

We report that we have obtained all the information and explanations we have required and, in our opinion, the accompanying Balance Sheet as at 31st October 1947 is properly drawn up so as to exhibit a true and correct view of the state of the combined companies' affairs, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,

CHARTERED ACCOUNTANTS,

*Auditors.*









