

CANADIAN
CAR & FOUNDRY
COMPANY
LIMITED

TWENTIETH
ANNUAL
REPORT
1929

MONTREAL - CANADA

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CANADIAN CAR & FOUNDRY COMPANY, LIMITED



BOARD OF DIRECTORS

W. F. ANGUS, MONTREAL	V. M. DRURY, MONTREAL
HON. C. P. BEAUBIEN, SENATOR, MONTREAL	WM. McMASTER, MONTREAL
H. W. BEAUCLERK, MONTREAL	HON. E. C. SMITH, ST. ALBANS, VT.
W. W. BUTLER, MONTREAL	HON. LORNE C. WEBSTER, SENATOR, MONTREAL
F. H. CLERGUE, MONTREAL	MARK WORKMAN, MONTREAL
HON. N. CURRY, SENATOR, MONTREAL	



OFFICERS

HON. N. CURRY, *Chairman of the Board*
W. W. BUTLER, *President*

W. F. ANGUS, <i>Vice-President</i>	W. S. ATWOOD, <i>Vice-President</i>
A. D. NEALE, <i>Vice-President</i>	L. A. PETO, <i>Vice-President & Comptroller</i>
A. C. BOURNE, <i>Secretary</i>	J. B. BRODIE, <i>Treasurer</i>



SOLICITORS

WAINWRIGHT, ELDER & McDougall, MONTREAL



BANKERS

BANK OF MONTREAL
THE ROYAL BANK OF CANADA



GENERAL OFFICES

621 CRAIG STREET WEST, MONTREAL

CANADIAN STEEL FOUNDRIES LIMITED



BOARD OF DIRECTORS

HON. C. P. BEAUBIEN W. W. BUTLER H. W. BEAUCLERK
W. F. ANGUS HON. LORNE C. WEBSTER V. M. DRURY

OFFICERS

W. W. BUTLER, *President*
W. F. ANGUS, *Vice-President* W. S. ATWOOD, *Vice-President*
A. D. NEALE, *Vice-President* L. A. PETO, *Vice-President &*
A. C. BOURNE, *Secretary* *Comptroller*
J. B. BRODIE, *Treasurer*



THE PRATT & LETCHWORTH COMPANY, LIMITED

BOARD OF DIRECTORS

HON. C. P. BEAUBIEN W. W. BUTLER H. W. BEAUCLERK
W. F. ANGUS V. M. DRURY

OFFICERS

W. W. BUTLER, *President*
W. F. ANGUS, *Vice-President* W. S. ATWOOD, *Vice-President*
A. D. NEALE, *Vice-President* L. A. PETO, *Vice-President &*
A. C. BOURNE, *Secretary* *Comptroller*
J. B. BRODIE, *Treasurer*



AGENCY OF CANADIAN CAR & FOUNDRY COMPANY, LIMITED

DIRECTORS

HON. N. CURRY V. M. DRURY W. W. BUTLER
F. H. CLERGUE T. S. WYLLY, JR.

OFFICERS

HON. N. CURRY, *President*
W. W. BUTLER, *Vice-President*
L. A. PETO, *Vice-President*
A. C. BOURNE, *Secretary and Treasurer*

**Canadian Car & Foundry Company, Limited
and Canadian Steel Foundries, Limited
and Other Associated Companies**

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**CONSOLIDATED STATEMENT OF SURPLUS AND
PROFITS, SEPTEMBER 30, 1929**

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Combined Profits for the Fiscal Year ending September 30, 1929.	\$3,922,113.50	
LESS:		
Interest on Bonds Outstanding.....	\$204,562.52	
Other Interest.....	59,648.96	264,211.48
		\$3,657,902.02
LESS:		
Provision for Depreciation.....		402,000.00
Profit for the Fiscal Year subject to Income Tax.....		\$3,255,902.02
Surplus at September 30, 1928.....	\$2,296,993.74	
Add Transfer of Special Reserve Fund.....	500,000.00	2,796,993.74
		\$6,052,895.76
DEDUCT:		
Provision for Income Tax and General Purposes.....		250,000.00
		\$5,802,895.76
DEDUCT:		
Dividends declared—		
7% on Preference Stock.....	\$525,000.00	
3½% on Ordinary Stock.....	247,100.00	772,100.00
		\$5,030,795.76
SURPLUS carried forward September 30, 1929.....		\$5,030,795.76

CANADIAN CAR & FOUNDRY COMPANY, LIMITED

AND CANADIAN STEEL FOUNDRIES, LIMITED AND OTHER ASSOCIATED COMPANIES

CONSOLIDATED BALANCE SHEET

September 30, 1929

ASSETS

COST OF PROPERTIES:

Real Estate, Buildings, Machinery, Patents and Goodwill, as at September 30, 1928	\$23,468,470.04	
Additions during Fiscal Year—(Net)	565,443.47	
		<u>\$24,033,913.51</u>

GOVERNMENT BONDS:

Deposited with Royal Trust Company as guarantee under Workmen's Compensation Act of Quebec		100,000.00
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CURRENT ASSETS:

Inventories of manufactured and partly manufactured product, materials and supplies at cost or less, and not in excess of present market prices ..	\$4,631,951.21	
Accounts Receivable (Less Reserve)	3,437,779.31	
Dominion of Canada Bonds (not above market values)	76,750.00	
Cash in Bank	760,989.63	
		<u>8,907,470.15</u>

DEFERRED CHARGES		98,274.76
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\$33,139,658.42

LIABILITIES

CAPITAL STOCK:

Preference: Seven per cent cumulative and participating:		
Authorized and Issued—300,000 Shares of \$25 each	\$7,500,000.00	
Ordinary: 49,750 Shares of \$100.00 each outstanding September 30, 1928	\$4,975,000.00	
41,700 Shares of \$100.00 each issued May, 1929	4,170,000.00	
		<u>9,145,000.00</u>
		\$16,645,000.00

The above ordinary shares exchanged September 1929 for 365,800 shares of no par value.

The total number of ordinary shares authorized is 400,000 and 13,380 of the shares unissued are reserved for subscription by employees.

CURRENT LIABILITIES:

Accounts Payable and Payrolls	\$2,607,451.83	
Interest Accrued	5,650.00	
Dividend Payable October 10, 1929, 1¾% on Preference Shares	131,250.00	
		<u>2,744,351.83</u>

RESERVES:

Depreciation Reserves	\$7,712,454.67	
Net Premium from sale of Ordinary Shares	422,556.16	
Operating and Miscellaneous Reserves	584,500.00	
		<u>8,719,510.83</u>

SURPLUS, as per attached statement		5,030,795.76
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\$33,139,658.42

NOTE: Payment of balance of Bonds called for redemption and still outstanding at September 30, 1929 (\$784,631.12, including premium thereon) is fully provided for.

AUDITORS REPORT TO THE SHAREHOLDERS:

We have examined the Books and Accounts of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, for the year ending September 30, 1929, and have obtained all the information and explanations which we required. And we certify that, in our opinion, the above Balance Sheet at September 30, 1929, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

MONTREAL, November 7, 1929

PRICE, WATERHOUSE & CO.,
Auditors.

Approved on behalf of the Board:

W. W. BUTLER,
Director

L. A. PETO,
Vice-President and Comptroller

W. F. ANGUS,
Director

TWENTIETH ANNUAL REPORT

Year Ended September 30, 1929



To the Shareholders:

Your Directors submit herewith the Twentieth Annual Report of your Company and of its subsidiaries, Canadian Steel Foundries, Limited, and The Pratt & Letchworth Company, Limited, covering combined operations for the year ended September 30th, 1929.

After deducting the usual allowance for depreciation the operations for the year show a net profit of \$3,255,902.02, subject to Income Tax. These earnings are the natural outcome of the successful completion of a considerable volume of orders of substantial size.

The volume of miscellaneous business shows a substantial improvement and the operations of your subsidiary Companies were satisfactory in every respect.

The Consolidated Balance Sheet shows the effect of the recent change in the Capital Structure of your Company. In March last, provision was made for the retirement of the bonded debt through the issue of new ordinary shares of the Company. This retirement of bonds is practically complete and a release from the Deeds of Trust and Mortgage has been obtained, with the exception of Bonds of the Montreal Steel Works, Limited, of which there are only \$282,500.00 outstanding and which mature on December 1st next. Sufficient funds are in the hands of the Trust Company for their redemption. During the period in which the Bonds were outstanding your Company was required to disburse annually a sum of \$842,625.00 in payment of interest and sinking fund, which funds will in future be available for the general purposes of the Company. The retirement of all bonds will substantially improve the position of the preferred and ordinary shares of your Company.

The liquid position of your Company is excellent, the surplus of current assets over current liabilities being \$6,163,118.32 (a ratio of $3\frac{1}{2}$ to 1), as compared with \$3,775,896.17 a year ago.

A sufficient volume of business is carried forward to keep your plants active during the balance of the present calendar year, by which time it is hoped that new business will be obtained to ensure a satisfactory continuance of operations.

The various properties of your Company have been maintained in good condition and the extensions and improvements made during the year will be of substantial benefit.

Your Directors feel that the policy of the Management in maintaining an efficient organization during the past years has in a great measure been responsible for the splendid results which are now before you. A large volume of work was promptly and capably taken care of and the various plants have been operated economically. It is indeed a pleasure to testify to the efficiency of the organization.

For the Directors,

W. W. BUTLER,
President.

November 7th, 1929.

