

**CANADIAN
CAR & FOUNDRY
COMPANY
LIMITED**

**TWENTY-SECOND
ANNUAL
REPORT
1931**

MONTREAL - CANADA

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CANADIAN CAR & FOUNDRY COMPANY, LIMITED

BOARD OF DIRECTORS

W. F. ANGUS, MONTREAL	HON. N. CURRY, SENATOR, MONTREAL
HON. C. P. BEAUBIEN, SENATOR, MONTREAL	V. M. DRURY, 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

OFFICERS

HON. N. CURRY, *Chairman of the Board*

W. W. BUTLER, *President*

W. F. ANGUS, *Vice-President*

W. S. ATWOOD, *Vice-President*

A. D. NEALE, *Vice-President*

L. A. PETO, *Vice-President &
Comptroller*

A. C. BOURNE, *Secretary*

J. B. BRODIE, *Treasurer*



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. BEAULERK
W. F. ANGUS	HON. LORNE C. WEBSTER	V. M. DRURY

OFFICERS

	W. W. BUTLER, <i>President</i>	
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>



THE PRATT & LETCHWORTH COMPANY, LIMITED

BOARD OF DIRECTORS

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

OFFICERS

	W. W. BUTLER, <i>President</i>	
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>

AGENCY OF CANADIAN CAR & FOUNDRY COMPANY, LIMITED

DIRECTORS

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

OFFICERS

HON. N. CURRY, <i>President</i>
W. W. BUTLER, <i>Vice-President</i>
L. A. PETO, <i>Vice-President</i>
A. C. BOURNE, <i>Secretary and Treasurer</i>

**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, 1931**

Combined Profits for the Fiscal Year ending September 30, 1931, after transferring \$250,000.00 from Inventory Reserve not now required.....	\$ 896,785.99
ADD:	
Interest earned net.....	164,646.62
	\$ 1,061,432.61
LESS:	
Provision for Depreciation.....	250,000.00
Profit for the Fiscal Year subject to Income Tax.....	811,432.61
Surplus at September 30, 1930.....	6,458,765.28
	\$ 7,270,197.89
DEDUCT:	
Provision for Income Tax and General Purposes.....	50,000.00
	\$ 7,220,197.89
DEDUCT:	
Dividends Declared:	
\$1.75 per share on Preference Stock.....	\$525,000.00
\$1.75 per share on Ordinary Stock.....	640,150.00
	1,165,150.00
SURPLUS carried forward September 30, 1931.....	\$ 6,055,047.89

CANADIAN CAR & FOUNDRY COMPANY, LIMITED

AND CANADIAN STEEL FOUNDRIES, LIMITED AND OTHER ASSOCIATED COMPANIES

CONSOLIDATED BALANCE SHEET

September 30, 1931

ASSETS	LIABILITIES
COST OF PROPERTIES:	CAPITAL STOCK:
Real Estate, Buildings, Machinery, Patents and Goodwill, as at September 30, 1930	Preference:
\$24,858,024.73	Seven per cent cumulative and participating. Authorized and Issued—300,000 Shares of \$25 each
Additions during Fiscal Year—Net	\$7,500,000.00
221,676.01	Ordinary:
\$25,079,700.74	Authorized—400,000 Shares of no par value. Issued —365,800 Shares
DEPOSITED with The Royal Trust Company as guarantee under Workmen's Compensation Act of Quebec—Government Bonds	9,145,000.00
116,000.00	\$16,645,000.00
CURRENT ASSETS:	CURRENT LIABILITIES:
Inventories of manufactured and partly manufactured product, materials and supplies at or below cost, and not in excess of present market prices, less reserve	Bank Loans (Secured)
1,971,491.18	\$ 200,000.00
Accounts Receivable (Less Reserve)	Accounts Payable and Payrolls
2,033,142.93	464,389.88
Bonds and Other Securities (market values at October 29, 1931):	Dividend Payable October 10, 1931—43 cents on Preference Shares
Dominion of Canada Bonds	129,000.00
\$2,135,290.00	793,389.88
Company's own shares held by Associated Companies	RESERVES:
97,192.00	Depreciation Reserves
Miscellaneous Investments	\$8,364,454.67
741,660.00	Net Premium from sale of Ordinary Shares
2,974,142.00	313,514.06
Cash in Bank	Operating and Miscellaneous Reserves
360,030.47	478,771.69
7,338,806.58	9,156,740.42
DEFERRED CHARGES	SURPLUS , as per attached statement
115,670.87	6,055,047.89
<u>\$32,650,178.19</u>	<u>\$32,650,178.19</u>

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, 1931, and have obtained all the information and explanations which we have required. And we certify that, in our opinion, the above Consolidated Balance Sheet at September 30, 1931, and relative statement of Surplus and Profits are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, at that date, according to the best of our information and the explanations given to us, and as shown by the books of the Companies.

MONTREAL, November 4th, 1931.

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

TWENTY-SECOND ANNUAL REPORT

Year Ended September 30, 1931



To the Shareholders:

Your Directors submit herewith the Twenty-Second Annual Report of your Company and its Subsidiaries, Canadian Steel Foundries, Limited, and The Pratt & Letchworth Company, Limited, covering combined operations for the year ended September 30th, 1931.

The combined profits as shown of \$1,061,432.61 are considered by your Directors satisfactory in view of the small volume of car equipment orders received. Canada could not escape the consequences of the world-wide economic situation which has shaken the foundations of the financial structures of nearly every Country, and the sharp reduction in the Canadian business has materially reduced freight traffic on our great Railway Systems. As a result the Railways curtailed their program for new equipment.

Your Company has further extended its activities into new lines of product, and the additional progress in this direction is anticipated and planned for the coming year.

In view of the fact that the depreciated Book Value of the properties of the Company is conservative your Directors have deemed it expedient to reduce the amount allotted to depreciation to \$250,000.

It will be of interest to the Shareholders to know that the Book Value of the fixed Assets represents sound value, and is equivalent to approximately \$25. per share on the entire Capital Stock.

The liquid position of your Company has been well maintained, the excess of current assets over current liabilities amounting to \$6,545,416.70. This is equivalent to approximately \$10. per share additional on the combined issues of the Preferred and Ordinary Shares. The temporary drop in the market price of our Investments, consisting mainly of Government Bonds, has been offset by appropriation of reserves which were provided out of prior year earnings for possible liabilities under the Provincial Workmen's

Compensation Act, and which owing to the change in legislation will no longer be required for that purpose.

The various plants of your Companies have been maintained in the usual good physical condition.

Since the close of the fiscal year your Company has suffered a severe loss in the death of the Hon. Nathaniel Curry, Chairman of the Board of Directors for a period of twelve years. His death occurred at Tidnish, N.S. on Friday, October 23rd, 1931, and the profound sorrow and regret of the Directors was suitably recorded at a meeting of the Directors held on October 29th, 1931.

A similar resolution was unanimously adopted at a Special General Meeting of Shareholders of the Company held on November 2nd, 1931.

Your Directors are pleased to take this opportunity of expressing their appreciation of the efficient services rendered by the officers and employees throughout the year.

For the Directors,

W. W. BUTLER,
President.

Montreal, November 4th, 1931

