

CANADIAN  
CAR & FOUNDRY  
COMPANY  
LIMITED

TWENTY-SEVENTH  
ANNUAL  
REPORT  
1936

MONTREAL - CANADA

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# CANADIAN CAR & FOUNDRY COMPANY, LIMITED

## BOARD OF DIRECTORS

W. F. ANGUS, MONTREAL	HON. J. P. B. CASGRAIN, SENATOR, MONTREAL
HON. C. P. BEAUBIEN, SENATOR, MONTREAL	F. H. CLERGUE, MONTREAL
H. W. BEAUCLERK, MONTREAL	V. M. DRURY, MONTREAL
W. W. BUTLER, MONTREAL	HON. LORNE C. WEBSTER, SENATOR, MONTREAL

## OFFICERS

W. W. BUTLER, *President*

L. A. PETO, <i>Vice-President and General Manager</i>	W. S. ATWOOD, <i>Vice-President</i>
W. F. ANGUS, <i>Vice-President</i>	A. C. BOURNE, <i>Secretary</i>
A. D. NEALE, <i>Vice-President</i>	P. C. McLACHLAN, <i>Comptroller and 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

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

## OFFICERS

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</i>
A. C. BOURNE, <i>Secretary</i>	



# THE PRATT & LETCHWORTH COMPANY, LIMITED

## BOARD OF DIRECTORS

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

## OFFICERS

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</i>
A. C. BOURNE, <i>Secretary</i>	



# AGENCY OF CANADIAN CAR & FOUNDRY COMPANY, LIMITED

## BOARD OF DIRECTORS

L. A. PETO	W. W. BUTLER	F. H. CLERGUE
V. M. DRURY	T. S. WYLLY, NEW YORK	

## OFFICERS

W. W. BUTLER, *President*  
L. A. PETO, *Vice-President*  
M. A. LOUGHMAN, *Secretary and Treasurer*

# CANADIAN CAR & FOUNDRY COMPANY, LIMITED

AND WHOLLY OWNED SUBSIDIARY COMPANIES

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## CONSOLIDATED STATEMENT OF EARNED SURPLUS AND PROFITS

September 30, 1936

Combined net operating profits for the Fiscal Year ending September 30, 1936, before charging depreciation . . . . .		\$ 281,789.73
<b>ADD:</b>		
Dividend received from partly owned subsidiary	\$28,893.00	
Interest on Investments . . . . .	5,362.65	
Profit on Investments . . . . .	20,509.75	54,765.40
		336,555.13
<b>LESS:</b>		
Fees of Directors and Executive Committee . . .	11,890.00	
Salaries of Officers . . . . .	88,229.81	
Legal Expenses . . . . .	2,060.35	102,180.16
Profit for the Fiscal Year before charging Depreciation and Income Taxes . . . . .		234,374.97
<b>DEDUCT DEPRECIATION:</b>		
On property written off during the year . . . . .	75,842.99	
Additional reserve provided . . . . .	150,847.29	226,690.28
Profit for the Fiscal Year before providing for Income Taxes . . .		7,684.69
Surplus at September 30, 1935 . . . . .		1,859,873.77
SURPLUS carried forward September 30, 1936 . . . . .		\$1,867,558.46

# CANADIAN CAR & FOUNDRY COMPANY, LIMITED

AND WHOLLY OWNED SUBSIDIARY COMPANIES

## CONSOLIDATED BALANCE SHEET

September 30, 1936

### ASSETS

#### CAPITAL ASSETS:

Real Estate, Buildings, Machinery and Patents at depreciated reproductive values as appraised in 1930 by the Canadian Appraisal Company, Limited, plus the cost of subsequent additions..	\$17,860,068.27	
Less: Reserve for depreciation provided since above date.....	871,141.91	
		\$16,988,926.36

DEPOSITED with The Royal Trust Company as guarantee under Workmen's Compensation Act of Quebec—Government Bonds.....	4,000.00	
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#### INVESTMENTS IN AND ADVANCES TO PARTLY OWNED SUBSIDIARY COMPANY:

Investment at Cost.....	288,930.00	
Current Account.....	3,930.04	
		292,860.04

#### MISCELLANEOUS INVESTMENTS:

Company's Own Shares held by Associated Companies.....	5,274.00	
Dominion Agricultural Credit Company Limited Advances in connection with option agreement to purchase an interest in Burnelli Aircraft Limited.....	2,500.00 30,000.00	
		37,774.00

#### CURRENT ASSETS:

Inventories of manufactured and partly manufactured product, materials and supplies, certified by responsible officials of the company, valued at cost or market prices, whichever were lower (less reserve).....	1,234,893.66	
Accounts Receivable (less reserve).....	416,507.39	
Dominion of Canada Bonds at cost..... (Market value at September 30, 1936, \$115,360.00)	113,840.00	
Cash in Bank.....	367,251.58	
		2,132,492.63

DEFERRED CHARGES.....	108,298.58	
		\$19,564,351.61

#### AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of the Canadian Car & Foundry Company, Limited, and its wholly owned Subsidiary Companies for the year ending September 30, 1936, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above Consolidated Balance Sheet at September 30, 1936, 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 wholly owned Subsidiary Companies, after making provision of \$226,690.28 on account of depreciation for the year, according to the best of our information and the explanations given to us and as shown by the books of these companies.

In accordance with the provisions of the Companies Act 1934, we also report that the profits of a partly owned subsidiary company have been included in the above accounts only to the extent of the dividends declared and received therefrom, the balance of profits being carried forward on the books of the subsidiary company

MONTREAL, November 16th, 1936.

PRICE, WATERHOUSE & CO.,  
Auditors.

### LIABILITIES

#### CAPITAL STOCK:

##### Preference:

Seven per cent cumulative and participating.		
Authorized and issued 300,000 shares of \$25 each	\$ 7,500,000.00	
Less: Purchased for		
retirement 16,885 shares of \$25 each	422,125.00	
Outstanding 283,115 shares of \$25 each	7,077,875.00	

(Dividends in arrear \$1,486,353.75)

##### Ordinary:

Authorized 400,000 shares of no par value.		
Issued 365,800 shares.....	9,145,000.00	
		\$16,222,875.00

#### CURRENT LIABILITIES:

Accounts Payable and Payrolls.....	312,937.79	
Provision for Dominion, Provincial and Other Taxes.....	31,301.09	
		344,238.88

OPERATING AND MISCELLANEOUS RESERVES:	266,000.00	
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#### CAPITAL SURPLUS:

Balance at September 30, 1935.....	869,867.47	
Minor Adjustments during year—Net.....	6,188.20	
		863,679.27

EARNED SURPLUS: as per attached statement.....	1,867,558.46	
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\$19,564,351.61

*Approved on behalf of the Board:*

W. W. BUTLER,  
*Director*

W. F. ANGUS,  
*Director*

L. A. PETO,  
*Vice-President and General Manager*

# TWENTY-SEVENTH ANNUAL REPORT

*Year Ending September 30, 1936*



## TO THE SHAREHOLDERS:

Your Directors submit herewith the Twenty-Seventh Annual Report of your Company and its wholly owned Subsidiaries, Canadian Steel Foundries, Limited, and The Pratt & Letchworth Company, Limited, covering combined operations for the year ending September 30th, 1936.

Your Directors are pleased to be able to report a substantial improvement in the results for the past twelve months as compared with the previous year. The operating profit for the period now under review of \$234,374.97 represents an improvement of \$731,630.94 as compared with the net operating loss of \$497,255.97 for the year ending September 30th, 1935. This result was made possible by the substantial amount of miscellaneous products sold during the year, and it may be interesting for the Shareholders to know that the selling value of the cars which were received in September of last year, and which were referred to in last year's Annual Report, amounted to considerably less than fifty percent of the total sales during the past year. It is hoped and believed that there will be a further increase in business during the coming year.

In line with the policy of supplying equipment for every type of transportation your Directors have decided to enter the field of aircraft manufacture. Contacts have been made with carefully selected pioneers in this field and a vigorous effort will be made to place this new department on a profitable basis from the outset.

The operations of the Canadian General Transit Company, Limited, in which your Company owns a controlling interest, continue to expand in a satisfactory manner.

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

For the Directors,

W. W. BUTLER,  
President.

Montreal, November 16th, 1936.



