

REPORT and STATEMENT

**DOMINION BRIDGE
COMPANY LIMITED**

FOR YEAR ENDED

31st OCTOBER

1937



PURVIS HALL
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ANNUAL
REPORT

*For the Fiscal Year
Ended 31st October*

1937



PATTULO BRIDGE

Over the Fraser River at New Westminster, B. C.

Opened November 15th, 1937.

DOMINION BRIDGE COMPANY LIMITED

DIRECTORS

G. H. DUGGAN.....	Chairman of the Board
W. F. ANGUS.....	President and Managing Director
JULIAN C. SMITH.....	Vice-President
G. W. ALLAN, K.C.....	Winnipeg
HON. A. J. BROWN, K.C.....	Montreal
C. H. CARLISLE.....	Toronto
NORMAN J. DAWES.....	Montreal
T. R. DEACON.....	Winnipeg
A. A. HODGSON.....	Montreal
SIR HERBERT S. HOLT.....	Montreal
J. W. McCONNELL.....	Montreal
ROSS H. McMASTER.....	Montreal
HOWARD MURRAY.....	Montreal
W. G. MURRIN.....	Vancouver
H. H. VAUGHAN.....	Montreal

HEAD OFFICE - LACHINE, P.Q.

F. W. EVENS—Secretary-Treasurer

EXECUTIVE OFFICERS

W. F. ANGUS.....	President and Managing Director
W. T. BAILEY.....	Vice-President and General Manager
S. W. CAMPBELL.....	Vice-President and Manager Western Division
F. P. SHEARWOOD.....	Consulting Engineer
F. NEWELL.....	Chief 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.....	A. R. ROBERTSON.....	Manager, Toronto, Ont.
Western Division.....	S. W. CAMPBELL.....	Vice-President, Winnipeg, Man.
Pacific Division.....	A. S. GENTLES.....	Manager, Vancouver, B.C.

BRANCH PLANTS

AMHERST, N.S.....	J. F. F. MACKENZIE.....	Local Manager
OTTAWA, ONT.....	W. A. MATTICE.....	Local Manager
CALGARY, ALTA.....	J. P. CARROLL.....	Local Manager

AGENCIES

MONTREAL, P.Q.....	C. S. KANE, Divisional Sales Manager.....	Dominion Square Bldg.
EDMONTON, ALTA.....	D. J. CARTER, Agent.....	106th and 121st Street
REGINA, SASK.....	H. CRABTREE, Agent.....	1769 Hamilton Street

DOMINION BRIDGE COMPANY LIMITED

21st December, 1937.

To the Shareholders of

DOMINION BRIDGE COMPANY, LIMITED

Your Directors submit the Annual Report of the Company together with Balance Sheet as at 31st October, 1937, and Profit and Loss Account for year ended that date.

Value of new business entered during the past year showed a gratifying increase, being 60% larger than that entered in the previous year. The largest contract entered during the year was for the Lions Gate Bridge across the First Narrows of Vancouver Harbour. If the tonnage of this contract is eliminated, new business entered still shows an increase of 35% over last year.

Contracts for commercial buildings still lag, few contracts of any size having been received.

A comparison of new business entered by plants, exclusive of the Lions Gate Bridge, shows:

Amherst.....	11½%	
Lachine.....	41 %	
Ottawa.....	21½%	
Toronto.....	25 %	
Calgary.....	31½%	
Winnipeg.....	14 %	
Vancouver.....	121½%	
	<hr/>	100%

Percentages of total output for the individual plants were:

Amherst.....	2 %	
Lachine.....	36 %	
Ottawa.....	21½%	
Toronto.....	18 %	
Calgary.....	31½%	
Winnipeg.....	20 %	
Vancouver.....	18 %	
	<hr/>	100%

DOMINION BRIDGE COMPANY LIMITED

Expenditure on Capital Account during the year amounts to \$209,000.00, principally for the purchase of new fabricating equipment and general betterment of your plants.

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

Your Directors have declared quarterly dividends of 30c per share, a total of \$1.20 for the year.

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

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

By order of the Board of Directors.

W. F. ANGUS,
President.

DOMINION BRIDGE COMPANY LIMITED

AND ENTIRELY OWNED SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET AS AT 31st OCTOBER, 1937

ASSETS

Fixed Assets

Real Estate, Plant, Machinery and Equipment.....	\$16,282,570.57	
Less: Depreciation Reserve.....	7,391,513.43	
	\$ 8,891,057.14	
Investments in partly owned Subsidiaries at book value.....	2,482,897.75	
Due by partly owned Subsidiaries.....	21,074.25	
Investments in other Companies at book value, less reserve.....	122,381.29	
	\$11,517,410.43	

Current Assets

Cash on hand and in Bank.....	\$ 530,243.91	
*Government and other Bonds and Securities (Approximate market value \$3,033,650).....	2,761,519.17	
Deposits on Tenders.....	4,552.34	
Expenditure on Uncompleted Contracts at standard cost less Reserve.....	\$ 4,192,269.22	
Less: Amounts received on account....	2,231,807.28	
	1,960,461.94	
Accounts and Bills Receivable, less Reserve for Doubtful Accounts.....	1,140,392.59	
Stock of Steel, Supplies and Small Tools at Cost, which is less than market value, less Reserve.....	3,165,104.63	
	9,562,274.58	
<i>2,649 fully paid no par value shares held by Trust Companies for sale to Employees of the Dominion Bridge Company Limited..</i>		40,084.10

Suspended Assets

Unexpired Insurance Premiums, Taxes and Deferred Charges.....	103,864.33	
	\$21,223,633.44	

*The Montreal Trust Company holds \$25,000.00 Par Value Bonds as an Insurance Guarantee on account of the Workmen's Compensation Commission and \$371,000.00 Par Value Bonds are held by customers or their nominees as security on tenders.

G. H. DUGGAN, *Director.*

W. F. ANGUS, *Director.*

LIABILITIES

Capital Stock

Authorized: 600,000 shares of No Par Value.....	
Issued: 513,951 shares of No Par Value.....	\$15,921,366.00

Reserve Accounts

For Plant Extensions and Betterments.....	\$ 1,000,000.00	
For Accidents in Erection.....	181,358.36	
	1,181,358.36	

Earned Surplus Account

Balance as per Profit and Loss Account.....	2,158,941.21
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Current Liabilities

Dividend payable 15th November, 1937.....	\$ 154,185.30	
Bank Loan for Tender Deposits.....	3,565.00	
Reserve for Taxes.....	481,753.64	
Sundry Accounts Payable.....	1,322,463.93	
	1,961,967.87	

Montreal, 17th December, 1937.

This is the Balance Sheet referred to in our Report of this date.

(Signed) RIDDELL, STEAD, GRAHAM & HUTCHISON,

Chartered Accountants,

Auditors.

DOMINION BRIDGE COMPANY LIMITED

AND

ENTIRELY OWNED SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31ST OCTOBER, 1937

Profits from Contracts, Interest and Exchange and Miscellaneous Income		\$1,074,793.45
Revenue from Investments		173,782.98
Profit on Bonds sold		197,638.51
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		\$1,446,214.94
 <u>Deduct:</u>		
Directors' Fees	\$ 18,513.00	
Executive Salaries	72,000.00	
Legal Fees	3,734.60	
Reserve for Income Taxes	190,274.47	
Depreciation on Plant, Machinery, etc.	501,031.52	785,553.59
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		\$ 660,661.35
Dividend for year		616,741.20
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		\$ 43,920.15
 <u>Add:</u>		
Balance at Credit, 1st November, 1936		2,115,021.06
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		\$2,158,941.21
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RIDDELL, STEAD, GRAHAM & HUTCHISON

CHARTERED ACCOUNTANTS

460 ST. FRANCOIS XAVIER STREET, MONTREAL

17th December, 1937.

To the Shareholders,

DOMINION BRIDGE COMPANY, LIMITED

We have examined and audited the Books and Accounts of the Dominion Bridge Company, Limited, and its entirely owned Subsidiary Companies for the year ended 31st October, 1937, 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 Certificates from the Depositories 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 no portion of the profits or losses of partly owned subsidiaries (with the exception of dividends actually declared by one of these) is included in these accounts. Such profits or losses are charged to Surplus in the Books of the respective Companies. The dividends received from the subsidiary, together with the proportion of the aggregate losses, less profits, as above, pertaining to this Company amount to \$29,800.42.

We report that we have obtained all the information and explanations we have required and that, in our opinion, the accompanying Balance Sheet as at 31st October, 1937, 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.

SGD. RIDDELL, STEAD, GRAHAM & HUTCHISON,
CHARTERED ACCOUNTANTS.

Auditors.

