

# General Steel Wares Limited and Subsidiary Companies

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## ANNUAL REPORT FOR THE Year ended 31st December, 1930

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### OFFICERS:

J. C. NEWMAN ..... President  
F. S. CORRIGAN ..... Vice-President  
and General Manager  
W. S. GIBSON ..... Vice-President  
in charge of sales  
W. F. HOLDING, Jr. .... Comptroller  
D. W. DICKSON ..... Secretary  
J. M. CAMPBELL ..... Treasurer

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### DIRECTORS:

J. C. NEWMAN                      W. S. HODGENS  
F. S. CORRIGAN                    F. M. ROSS  
W. S. GIBSON                      H. H. HORSFALL  
HON. DONAT RAYMOND            A. J. CLARK

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STOCK TRANSFER AGENTS:  
NATIONAL TRUST COMPANY  
Montreal and Toronto

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### BANKERS:

CANADIAN BANK OF COMMERCE  
Toronto  
JAN 23 1931  
McGILL UNIVERSITY

# General Steel Wares Limited

## AND SUBSIDIARY COMPANIES

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### ANNUAL REPORT

FOR THE YEAR ENDING DECEMBER 31ST, 1930

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TO THE SHAREHOLDERS:

The Board of Directors submit the following Report for 1930, accompanied by the Consolidated Balance Sheet and statement of Profit and Loss and Surplus as at December 31st, 1930.

The Consolidated Balance Sheet indicates the strong liquid position of your Company. Current Assets amounted to \$6,752,236.49 as against Current Liabilities of only \$654,408.13, a ratio of over ten to one. It is most significant that the liability to the Bank amounted to only \$68,437.03, a decrease during the year of \$595,225.26, accomplished mainly by a reduction in inventories. An amount of \$645,000.00 was transferred from Property, Depreciation and Contingency Reserves Account to Surplus Account. The balance of \$3,524,530.75 remaining in the Property, Depreciation and Contingency Reserves Account as at December 31st, 1930, is considered ample for accrued depreciation and contingencies. The bonded indebtedness was reduced during the year through the retirement of first mortgage bonds by an amount of \$197,500.00. In addition to this, bonds and mortgages of subsidiary companies were reduced by \$33,000.00. All properties and plants have been well maintained and are in excellent condition.

Earnings for the year 1930 were adversely affected, mainly due to a sharp decrease in the volume of sales, particularly in Western Canada, and to the decline in inventory values. Earnings, before providing for depreciation and bond interest, amounted to \$12,537.97. This amount, added to balance in Surplus Account brought forward from December 31st, 1929, together with the amount transferred from Property Depreciation and Contingency Reserves Account, left, after payment of bond interest and preferred dividends, a balance in Surplus Account as at December 31st, 1930, of \$102,631.64.

Your Directors take this opportunity of placing on record their appreciation of the loyal co-operation of the staff and employees of the Company.

Your Directors assure you that the Company's business is well established and economically sound, and they look forward with confidence to operating successfully under normal conditions.

Submitted on behalf of the Board of Directors,

**J. C. NEWMAN,**  
PRESIDENT

Montreal, February 20th, 1931.



# General Steel Wares Limited

## AND SUBSIDIARY COMPANIES

### STATEMENT OF PROFIT AND LOSS AND SURPLUS

YEAR ENDING 31st DECEMBER, 1930

Surplus as at 1st January, 1930.....		\$309,228.43
Add:		
Transferred from Property, Depreciation and Contingency Reserves under resolution of directors —27th January, 1931.....		645,000.00
		\$954,228.43
DEDUCT: Loss for the year, before providing for depreciation, as follows:		
Interest on bonds.....	\$549,134.76	
Less: Profit from operations.....	12,537.97	
		536,596.79
		\$417,631.64
DEDUCT:		
Dividends on preferred stock.....		315,000.00
		\$102,631.64
Surplus as at 31st December, 1930.....		\$102,631.64

### CONSOLIDATED BALANCE SHEET AS AT 31st DECEMBER, 1930

<u>ASSETS</u>	<u>LIABILITIES</u>
<b>CURRENT ASSETS:</b>	
Cash on Hand and in Bank...\$ 29,675.76	<b>CURRENT LIABILITIES:</b>
Accounts Receivable, After Providing for Doubtful Debts..... 1,640,901.41	Bank Loans (Secured Under Sec. 88 of Bank Act).....\$ 68,437.03
Sundry Debtors..... 84,046.75	Accounts and Bills Payable and Accrued Liabilities.. 492,846.10
Inventories..... 4,997,612.57	Accrued Interest on Bonds.... 93,125.00
\$ 6,752,236.49	\$ 654,408.13
<b>SINKING FUND CASH:</b>	
Balance on Deposit with the Trustee for First Mortgage Bondholders..... 343.86	<b>PROPERTY, DEPRECIATION AND CONTINGENCY RESERVES.....</b> 3,524,530.75
	<b>BONDS OF SUBSIDIARY COMPANIES.....</b> 255,000.00
<b>INVESTMENTS, MORTGAGES, ETC.....</b> 12,332.98	<b>FIRST MORTGAGE BONDS:</b>
	Authorized.....\$25,000,000.00
<b>DEFERRED CHARGES.....</b> 51,221.65	Series "A" 6%, due 1st November, 1952—
	Issued.....\$ 9,000,000.00
<b>FIXED ASSETS:</b>	Less: Redeemed and Cancelled..... 197,500.00
Land, Buildings and Equip- ment as at 1st January, 1930.....\$11,990,705.22	8,802,500.00
Additions (net) during year..... 32,365.32	<b>CAPITAL AND SURPLUS:</b>
12,023,070.54	Preferred Stock 7% Cumulative, Authorized...\$10,000,000.00
\$18,839,205.52	Issued — 45,000 shares of \$100.00 each..... 4,500,000.00
	Preferred Stock Management— 3 Shares Without Nominal or Par Value, Fully Paid..... 75.00
	Common Stock, Represented by 199,997 Shares, With- out Nominal or Par Value, Fully Paid..... 1,000,060.00
	Surplus..... 102,631.64
	5,602,766.64
	\$18,839,205.52

Approved on behalf of the Board,  
J. C. NEWMAN,  
F. S. CORRIGAN, } Directors.

### AUDITORS' CERTIFICATE

We have examined the books and accounts of General Steel Wares Limited and of its subsidiary companies for the year ending 31st December, 1930, and find that the above Balance Sheet is in accordance therewith. Under resolution of the Directors, 27th January, 1931, the sum of \$645,000.00 has been transferred from the Property, Depreciation and Contingency Reserves to Surplus Account as available for distribution; subject thereto, we certify that in our opinion the above Consolidated Balance Sheet as at 31st December, 1930, is drawn up so as to exhibit a true and correct view of the state of the Companies' affairs according to the best of our information and the explanations given to us.

TORONTO, February 11, 1931.

PRICE, WATERHOUSE & COMPANY, }  
P. S. ROSS & SONS, } Joint Auditors.