

NATIONAL STEEL CAR CORPORATION LIMITED

ELEVENTH
ANNUAL
REPORT
JUNE THIRTIETH
. 1931 .

HAMILTON . ONTARIO . CANADA

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**NATIONAL
STEEL CAR
CORPORATION
LIMITED**

**ELEVENTH
ANNUAL
REPORT
JUNE THIRTIETH
. 1931 .**

HAMILTON . ONTARIO . CANADA

:: NATIONAL STEEL CAR CORPORATION, LIMITED ::

BOARD *of* DIRECTORS

ROBERT J. MAGOR, Chairman

HUGH N. BAIRD

GLYN OSLER, K.C.

RUSSELL D. BELL

F. E. MEREDITH, K.C.

D. B. DEWAR

W. E. PHIN



OFFICERS

ROBERT J. MAGOR	-	-	-	-	-	-	PRESIDENT
HUGH N. BAIRD	-	-	-	-	-	-	VICE-PRESIDENT
ROBERT S. HART	-	-	-	-	-	-	HAMILTON MANAGER
DANIEL T. MAIN	-	-	-	-	-	-	MONTREAL MANAGER
CHARLES W. ADAM	-	-	-	-	-	-	SECRETARY-TREASURER
ABRAM VAN HASSELL	-	-	-	-	-	-	ASSISTANT SECY.-TREAS.



DEPOSITARIES

THE CANADIAN BANK OF COMMERCE, HAMILTON, ONTARIO, CANADA

THE CANADIAN BANK OF COMMERCE
NEW YORK CITY

CAPITAL AND SURPLUS

June 30th, 1931.

PARTICULARS	AMOUNT
CAPITAL AND SURPLUS at	
June 30th, 1930.....	\$5,539,365.11
 ADD:—Profit from operations for the year ending June 30th, 1931, after deducting Dominion Income Tax, but before pro- viding for Depreciation of Plant	 \$440,595.27
 DEDUCT:—Provision for Depre- ciation of Buildings, Machinery and Equipment.....	 100,000.00
 NET PROFIT FOR THE YEAR.....	 340,595.27
	<hr/> \$5,879,960.38
 DEDUCT:—Dividends Paid, Nos. 7, 8, 9, 10	 260,000.00
	<hr/>
 CAPITAL AND SURPLUS June 30th, 1931.....	 \$5,619,960.38
	<hr/> <hr/>

Balance Sheet,

ASSETS

CURRENT ASSETS:

Cash on Hand and in Bank.....	\$ 13,866.64
Call Loans, Investments and Accrued Interest.....	639,090.79
Accounts Receivable.....	1,442,011.15
Cash Surrender Value—Life Insurance Policy.....	82,000.00
Sundry Investments and Advances.....	22,242.00
Inventories of Raw Material, Supplies, Work in Process and Finished Stock	372,719.58
	<hr/>
	\$2,571,930.16

DEFERRED CHARGES..... 18,785.75

PATENTS AND GOOD WILL..... 1.00

FIXED ASSETS:

LAND, at cost.....	364,589.59
BUILDINGS, MACHINERY AND EQUIPMENT.....	5,653,892.85
	<hr/>
	6,018,482.44
	<hr/>
	<u>\$8,609,199.35</u>

We have examined the books and accounts of the ending June 30th, 1931. The bank balances, call loans and we have taken all reasonable precautions to satisfy June 30th, 1931, have been taken up on the books. Follow during the year of the materials remaining at the company the above balance sheet in accordance with the books of the responsible officials of the Company. An amount of \$100,000 during the year.

On this basis, we certify that, in our opinion, the position of the Company as at June 30th, 1931, according to the books given to us, and as shown by the books of the Company.

Toronto, July 21st, 1931.

Approved on behalf of the Board.

W. E. PHIN, Director.

D. B. DEWAR, Director.

:: NATIONAL STEEL CAR CORPORATION, LIMITED ::

June 30th, 1931

LIABILITIES

CURRENT LIABILITIES:

Bank Loan (Secured).....	\$ 155,824.50
Accounts Payable.....	684,456.63
Accrued Wages, Etc.....	15,499.93
Miscellaneous Reserves.....	22,638.71

————— \$ 878,419.77

RESERVE:

For Depreciation of Buildings, Machinery and Equipment.....	2,110,819.20
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CAPITAL AND SURPLUS:

(As per statement attached)	
Represented by 130,000 shares of Capital Stock without nominal or par value.....	5,619,960.38

\$8,609,199.35

National Steel Car Corporation, Limited, for the year
s and investments have been confirmed by certificates,
fy ourselves that all outstanding liabilities as at June
ing the usual practice, physical inventories were taken
pletion of each order, and the inventories are stated in
k inventory figures which have been certified to by
0,000.00 has been provided towards depreciation accruing

he above balance sheet sets forth the true financial
ing to the best of our information and the explanations
any.

PRICE, WATERHOUSE & Co.,
Chartered Accountants

:: NATIONAL STEEL CAR CORPORATION, LIMITED ::

TO THE SHAREHOLDERS:

Statement of Capital and Surplus reflecting operations for the fiscal year ending June 30th, 1931, and Balance Sheet at June 30th, 1931, are submitted herewith.

For the fiscal period under review, the total production of your Corporation of all products manufactured and shipped, amounted to \$6,339,601.48.

An operating profit of \$440,595.27 was made after deducting full maintenance and operating expenses, cost of development work on new products, also Dominion Income Tax. From the above there has been deducted depreciation to the extent of \$100,000.00, which in accordance with the policy of your Directors, has been based on the type and quantity of work produced. This, your Directors feel, is a sound procedure, particularly in view of the fact, that during the preceding three years, there was credited to depreciation account, (plus special building and machinery write-off) a total over \$1,000,000.00.

Due to the smaller turnover in comparison with the previous year, the total current assets are reduced from \$2,936,737.10 to \$2,571,930.16. The current liabilities have been reduced by even a greater amount, from \$1,381,108.03 to \$878,419.77.

Working capital has been increased from \$1,555,629.07 to \$1,693,510.39 an increase of \$137,881.32, this, after paying the

:: NATIONAL STEEL CAR CORPORATION, LIMITED ::

regular dividend amounting to \$260,000.00 and spending \$36,555.18 on plant improvements.

The result of the past year's operations has increased the capital and surplus account from \$5,539,365.11 to \$5,619,960.38

The carry over of business and net earnings that will naturally accrue from same, will represent a substantial contribution toward the operations of the new fiscal period which commenced on the first of this month.

Your Directors and Management do not attempt to forecast the future business curve, but insofar as the operation of your Corporation is concerned, the closest possible study and attention is being given to maintaining the property and increasing its operating efficiency, so that the maximum results can be secured during active periods of production, and maximum savings during periods of sub-normal production.

Your Directors again desire to express their appreciation of the loyal services of the officers and employees during the year.

Respectfully submitted on behalf of the Directors.

ROBERT J. MAGOR,
Chairman and President.

July 27th, 1931.

