

UNITED STEEL CORPORATION LIMITED

THIRTEENTH ANNUAL REPORT

FOR THE FISCAL YEAR ENDED 31st DECEMBER, 1946

To Shareholders of United Steel Corporation, Limited:

Your Directors submit herewith the Thirteenth Annual Report of your Corporation for the year ended 31st December, 1946, comprising the Balance Sheet and General Statement of Income and Expenditures and Earned Surplus, duly certified by the Company auditors.

The Net Profits of the Corporation and its Subsidiary for the year, after allowing for taxes, amounted to \$404,968.38. Remaining Earnings, after payment of \$35,637.00 Preferred Dividend, amount to 78.6c per Common Share. The Standard Profits of the Corporation and its Subsidiary have been determined in an amount in excess of that amount estimated in computing tax liabilities for the past five years. The net effect of this and the completion of renegotiation of war contracts has been an increase to the Earned Surplus Account of \$711,241.76. Full allowable Depreciation was taken and all Plants and Equipment were maintained in first class condition.

The Earnings of our Subsidiary company not reflected in this Balance Sheet were considerable and its acquirement has strengthened our position in the trade from both a manufacturing and sales standpoint.

The substantial interest which was acquired in a modern iron foundry has lived up to expectations and our manufacturing facilities, by virtue of increased flow of raw materials, have and will continue to make its acquisition worthwhile.

The Inventories of Raw Material are in a good quantity position and the strikes in the steel industry that predominated during 1946, while somewhat of a handicap, did not deter us from having a good year of production. Our activities during the year under review were entirely of a peacetime nature and reflect earnings many times greater than the prewar years and business on our books is in good volume.

During the year we made arrangements with prominent United States manufacturers for lines of products in the Contracting, Mining and Pulp and Paper industries. These are now in a good state of production and the sales outlook is good.

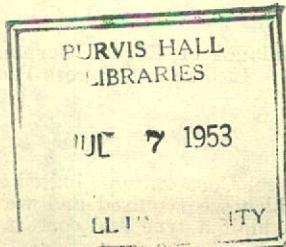
Your Directors and Officers are not prepared to venture predictions as to 1947 but will continue to devote themselves to the careful functioning of the Company and to the protecting of the Shareholders' interests.

The Directors wish to express their appreciation for the loyal and efficient services rendered by the Officers, Staff and Employees of the Corporation throughout the year.

On behalf of the Board.

T. J. DILLON,
President.

April 11th, 1947.



ORATION LIMITED

ned Subsidiary
TION COMPANY LIMITED
T AS AT 31st DECEMBER, 1946

LIABILITIES

CURRENT LIABILITIES:

Bank Loans	\$2,058,018.64
Accounts Payable and Accrued Charges	768,050.46
Provision for Income and Excess Profits Taxes 1946	92,222.11
	\$ 2,918,291.21

RESERVES FOR DEPRECIATION

FIRST MORTGAGE SERIAL AND SINKING FUND BONDS:

3½% Serial Bonds due 1st September, 1947-55	\$ 540,000.00
4% Sinking Fund Bonds due 1st September, 1960	1,000,000.00
	1,540,000.00
Interest Accrued	19,633.32

CAPITAL:

Class "A" Cumulative Redeemable Preference Shares Par Value \$25.00 each: Authorized 80,000 Shares, less Redeemed 11,128 Shares Issued and Outstanding 31st December, 1945	23,758 Shares	593,950.00
Issued during the year	Nil	
Issued and Outstanding 31st December, 1946	23,758 Shares	593,950.00
Common Shares of No Par Value: Authorized 500,000 Shares Issued and Outstanding 31st December, 1945	469,424 Shares	1,865,951.61
Issued during the year	Nil	
Issued and Outstanding 31st December, 1946	469,424 Shares	1,865,951.61
CAPITAL SURPLUS		84,111.30
EARNED SURPLUS (including Refundable Portion of Excess Profits Taxes)		2,891,830.54
		\$11,589,426.05

STATEMENT OF INCOME AND EXPENDITURE AND FOR THE YEAR ENDED DECEMBER 31st, 1946

\$ 926,223.57	
10,817.70	
44,400.00	
	\$ 981,441.27
\$ 189,071.70	
and Legal	
71,165.17	
70,300.00	
7,350.00	
	\$ 337,886.87
\$ 643,554.40	
243,178.13	
	\$ 400,376.27
\$ 4,585.80	
393.86	
5,756.12	
	10,735.78
\$ 15,327.89	
Standard Profits	
711,241.76	
726,569.65	
	\$1,116,210.14
Red from 31st December, 1945	
Excess Profits Tax)	
1,975,555.82	
	\$3,091,765.96
\$ 35,637.00	
164,298.42	
	199,935.42
, 1946 (including Refundable	
	\$2,891,830.54

REPORT

Our subsidiary, London Steel Construction Company Limited, for the year ended 31st December, 1946.
our opinion the above Consolidated Balance Sheet and Consolidated Statement of Income and Expen-
nses of the combined Companies' affairs according to the best of our information and explanations given us and as shown

VIGEON & COMPANY,
Chartered Accountants.

PLANTS

TORONTO WELLAND PORT ROBINSON MONTREAL LONDON

OFFICES

TORONTO	MONTREAL	WINNIPEG	VANCOUVER
		KIRKLAND LAKE	
WELLAND		HAILEYBURY	LONDON
		LONDON, ENGLAND	

CHIEF PRODUCTS

- Elevator and Conveying Equipment
- Power Transmission Machinery
- Material Handling Equipment
- Portable Conveyors
- Hydraulic Presses
- Grain Elevator Equipment
- Coal and Ore Handling Bridges
- Structural Steel — Buildings, Bridges
- Steel Plate Work and Welded Steel Products
- Mine Hoists
- Chain and Belt Conveyors
- Contractors' Equipment
- Edge Moor Water Tube Boilers
- Blaw-Knox Products
- Automotive Equipment
- Structural Steel Head Frames
- Cummer Asphalt Plants
- Baldwin-Southwark Products
- Jigs, Tools, Fixtures
- Aircraft Components
- Shipbuilding Equipment
- Sewage and Sanitation Equipment