

UNITED STEEL CORPORATION LIMITED

ELEVENTH ANNUAL REPORT

FOR THE FISCAL YEAR ENDED 31st DECEMBER, 1944

To Shareholders of United Steel Corporation, Limited:

Your Directors submit herewith the Eleventh Annual Report of your Corporation for the year ended 31st December, 1944, comprising the Balance Sheet and General Statement of Income and Expenditure and Earned Surplus, duly certified by the Company's auditors.

The Net Profit for the year amounted to \$728,320.68. After provision for Income and Excess Profit Taxes, amounting to \$542,528.18, the Net Earnings for the year amount to \$271,430.43 including \$85,637.93 Refundable Portion of Excess Profits Tax. After payment of \$35,637.00 Preferred dividend, the Earnings applicable to the Common shares amount to 49.4c per share. After deductions as set forth in the Statement, balance of Earned Surplus at the year end amounted to \$1,788,504.47. Full allowable depreciation was taken and all plants and equipment were maintained in first-class condition.

Contracts on our books are now in good volume, including considerable export business, and provide a substantial back-log for continuing production.

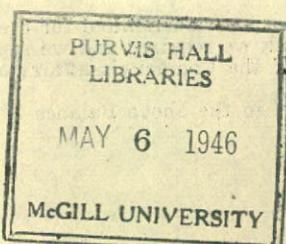
If the war in Europe should end quickly, re-conversion offers no great problem to any of the Corporation's plants or activities, as we are reasonably assured of a substantial volume of business from the Mining, Pulp and Paper, Plastics and other industries, whose particular scope of activities use a considerable quantity of the Company's standard line of products. In addition, we have been developing and improving over the past year our range of standard manufactured goods, which will assist materially our post-war possibilities.

The Directors wish to express their appreciation for the loyalty 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.



UNITED STEEL COR

BALANCE SHEET AS

A S S E T S

CURRENT ASSETS:

Cash on hand and in Bank	\$ 511,657.77
Accounts and Notes Receivable less Reserve	1,268,760.12
Due by Dominion Government	1,583,032.61
Inventories of Raw Materials and Supplies, Process and Finished Goods as determined and certified to by the Management and valued not higher than cost or market, whichever is the lower	1,833,397.36
Investments in Industrial Stocks — Book Value	40,840.18
Dominion of Canada Bonds	400,000.00
Cash Surrender Value of Life Insurance Policies	38,134.14
	\$ 5,675,822.18

INVESTMENT IN SUBSIDIARY COMPANIES:

Common and Preferred Shares, carried at	572,023.87
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PROPERTY ACCOUNT:

Land, Buildings and Plant appraised by Canadian Appraisal Company Limited in respect of the Dodge Manufacturing Company Limited on the basis of commercial value 16th January, 1929, and in respect of the Canadian Mead-Morrison Company Limited on the basis of commercial value 31st May, 1929, and in respect of the Standard Steel Construction Company Limited and Farand & Delorme Limited on the basis of purchase 18th January, 1941, with the cost of subsequent additions

3,907,978.79

DEFERRED CHARGES

41,924.00

BOND DISCOUNT

33,760.80

GOODWILL

1.00

REFUNDABLE PORTION OF EXCESS PROFITS TAXES

373,498.29

\$10,605,008.93

APPROVED ON BEHALF OF THE BOARD:

T. J. DILLON, Director.
A. G. HOUSE, Director.

UNITED STEEL COR STATEMENT OF INCOME AND EXP FOR THE YEAR ENDEI

Profit from Operations
Income from Investments

Deduct: Depreciation
Remuneration to Executive Office
Advisers
Bond Interest
Directors' Fees and Expenses

Net Profit for the Year
Provision for Income and Excess P
Less Refundable Portion

Deduct: Amortization of Bond Discount
Cost of Life Insurance

Earned Surplus for the Year
Balance of Surplus Brought Forward from
1943 (including Refundable Portion of
Tax)
Deduct: Adjustment in Workmen's Compens
Years

Deduct: Dividend Class "A" Preference Sha
Balance of Surplus 31st December, 1944 (inc
Excess Profits Tax)

AUDITORS

To the Shareholders of United Steel Corporation Limited:

We have audited the books and accounts of United Steel Corporation Limited for the year ended
We have obtained all the information and explanations which we required and we report that in
is drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to
on 31st December, 1944.

The Operations of the Subsidiary Companies are not reflected in the above Balance Sheet.

Toronto, 4th April, 1945.

PORATION LIMITED

AT 31st DECEMBER, 1944

LIABILITIES

CURRENT LIABILITIES:

Bank Loans	\$2,444,862.37
Accounts Payable and Accrued Charges	1,346,003.93
Provision for Income and Excess Profits Taxes	427,778.18
	<u>\$ 4,218,644.48</u>

RESERVES FOR DEPRECIATION

FIFTEEN YEAR 5% FIRST MORTGAGE SINKING FUND BONDS

Due 15th January, 1956	\$ 900,000.00
Less Redeemed	90,000.00
	<u>\$ 810,000.00</u>
Interest Accrued	18,562.50

828,562.50

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, 1943	22,758 Shares
Issued during the year	1,000 Shares

\$ 568,950.00
25,000.00

593,950.00

Issued and Outstanding 31st December, 1944 23,758 Shares

Common Shares of No Par Value:

Authorized 500,000 Shares

Issued and Outstanding 31st December, 1943	469,322 Shares
Issued during the year	97 Shares

\$1,865,543.61
388.00

1,865,931.61

EARNED SURPLUS (including Refundable Portion of Excess Profits Taxes)

1,788,504.47

\$10,605,008.93

PORATION LIMITED

EXPENDITURE AND EARNED SURPLUS

AT 31st DECEMBER, 1944

	\$1,003,771.24
	10,481.72
	<u>\$ 1,014,252.96</u>
ers and Legal	\$ 167,343.70
	70,226.08
	40,562.50
	7,800.00
	<u>285,932.28</u>
rofits Taxes	\$ 542,528.18
	85,637.93
	<u>456,890.25</u>
	\$ 271,430.43
	\$ 3,384.00
	596.05
	<u>3,980.05</u>
	\$ 267,450.38
31st December, Excess Profits	\$1,570,975.82
ation for Prior	14,284.73
	<u>1,556,691.09</u>
	\$1,824,141.47
	35,637.00
uding Refundable Portion of	<u>\$1,788,504.47</u>

REPORT

31st December, 1944.

Our opinion the attached Balance Sheet and Statement of Income and Expenditure and Earned Surplus is based on the best of our information and explanations given us and as shown by the books of the Company.

VIGEON & COMPANY,
Chartered Accountants.

PLANTS

TORONTO

WELLAND

PORT ROBINSON

MONTREAL

OFFICES

TORONTO

MONTREAL

WINNIPEG

VANCOUVER

LONDON, ENGLAND

WELLAND

HAILEYBURY

KIRKLAND LAKE

CHIEF PRODUCTS

Elevator and Conveying Equipment
Power Transmission Machinery
Materials 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.