

UNITED STEEL CORPORATION, LIMITED

EIGHTH ANNUAL REPORT

FOR THE FISCAL YEAR ENDED 31st DECEMBER, 1941

To Shareholders of United Steel Corporation Limited:

Your Directors submit herewith the Eighth Annual Report of your Corporation for the year ended 31st December, 1941, comprising the Balance Sheet and General Statement of Income and Expenditure and Earned Surplus, duly certified by the Company's auditors.

The General Statement of Income and Expenditure for the first time includes the Profit from Operations of the former two subsidiaries, Standard Steel Construction Company Limited, and Farand & Delorme Limited, assets of which are now owned by this Corporation. The Net Earnings for the year amount to \$1,282,932.41. After provision for Income Taxes amounting to \$784,594.00, the Net Earnings for the Year amount to \$498,338.41. After the deductions as set forth in the Statement, balance of Earned Surplus at the year end amounted to \$970,628.98.

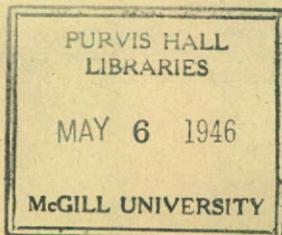
All Plants of the Corporation, including the new extensions completed during the current year, were operated at full capacity, and contracts on our books are now in large volume and provide a substantial backlog for continuing production increases.

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 CORP.

BALANCE SHEET AS AT

ASSETS

CURRENT ASSETS:

Cash on hand and in Bank	\$ 98,083.34
Accounts and Notes Receivable, less Reserve	1,120,267.77
Due by Government	776,516.71
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 lower	1,482,173.83
Investments in Industrial Stocks—Book Value	17,743.98
Cash Surrender Value of Life Insurance Policies	31,446.64
	<u>\$3,526,232.27</u>

INVESTMENT IN SUBSIDIARY COMPANY:

Common and Preferred Shares, carried at	177,993.87
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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 on the basis of purchase price 18th January, 1941, and in respect of Farand & Delorme Limited on the basis of purchase price 18th January, 1941, with the cost of subsequent additions	2,928,349.45
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DEFERRED CHARGES

ADVANCES — TANK DIVISION	10,550.39
BOND DISCOUNT	16,808.96
GOODWILL	45,000.00
	1.00
	<u>\$6,704,935.94</u>

APPROVED ON BEHALF OF THE BOARD:

SALTER A. HAYDEN,

Director.

A. G. HOUSE,

Director.

UNITED STEEL CORP. STATEMENT OF INCOME AND EXPENSES FOR THE YEAR ENDED

Profit from Operations _____
Income from Investments _____

Deduct:
Depreciation _____
Remuneration to Executive Officers _____
Advisers _____
Bond Interest _____
Directors' Fees and Expenses _____
Provision for Taxes _____

Cost of Life Insurance _____
Earned Surplus for the year _____
Balance of Earned Surplus 31st December, _____

Difference resulting from purchases of Subsidiaries _____
Organization Expense _____
Dividend Class "A" Preference Shares _____

Balance of Earned Surplus 31st December, _____

AUDITORS

To the Shareholders of United Steel Corporation Limited:

We have audited the books and accounts of United Steel Corporation for the year ended 31st December, 1941.
We have obtained all the information and explanations which we required and we report that in our opinion so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our knowledge and belief.
No credit has been taken herein for profits earned by the Subsidiary Company.

Toronto, 10th April, 1942.

PORATION, LIMITED

TO 31st DECEMBER, 1941

LIABILITIES

CURRENT LIABILITIES:

Bank Loans	\$ 464,345.06
Accounts Payable and Accrued Charges	646,196.25
Provision for Taxes	854,981.79
	<u>\$1,965,523.10</u>
DUE TO STANDARD STEEL CONSTRUCTION CO. LTD. ON PURCHASE OF ASSETS	3,096.00
RESERVES FOR DEPRECIATION	411,985.25
TWENTY YEAR 5% FIRST MORTGAGE SINKING FUND BONDS	\$ 900,000.00
Interest Accrued	20,625.00
	<u>920,625.00</u>

CAPITAL:

Class "A" 6% Cumulative Redeemable Preference Shares Par Value \$25.00 each.	
Authorized 80,000 shares, less Redeemed	11,128 shares
Issued and Outstanding 31st December, 1941	22,758 shares
	<u>568,950.00</u>
Common Shares of No Par Value:	
Authorized 500,000 shares.	
Issued and Outstanding 1st January, 1941	468,904 shares
Issued during the year	32 shares
	<u>\$1,863,999.61</u>
Issued and Outstanding 31st December, 1941	468,936 shares
EARNED SURPLUS	<u>1,864,127.61</u>
	<u>970,628.98</u>
	<u><u>\$6,704,935.94</u></u>

PORATION LIMITED EXPENDITURE AND EARNED SURPLUS TO 31st DECEMBER, 1941

	\$1,717,419.50
	11,570.79
	<u>\$1,728,990.29</u>
Officers and Legal	260,264.45
	135,503.18
	43,125.00
	6,550.00
	<u>784,594.00</u>
	1,230,036.63
	\$ 498,953.66
	615.25
	<u>\$ 498,338.41</u>
1940	727,596.93
	<u>\$1,225,935.34</u>
Value of Assets of	\$ 192,435.83
	28,733.53
Shares	34,137.00
	<u>255,306.36</u>
1941	<u>\$ 970,628.98</u>

3' REPORT

er, 1941.
opinion the attached Balance Sheet and Statement of Income and Expenditure and Earned Surplus is drawn
information and explanations given us and as shown by the books of the Company on 31st December, 1941.

VIGEON AND 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
Nor-Sand Pumps
Structural Steel Head Frames
Cummer Asphalt Plants
Fairfield Engineering Products
Baldwin-Southwark Products
Jigs, Tools, Fixtures
Aircraft Components