

# UNITED STEEL CORPORATION, LIMITED

---

## SEVENTH ANNUAL REPORT

FOR THE FISCAL YEAR ENDED 31st DECEMBER, 1940

---

To Shareholders of United Steel Corporation Limited:

Your Directors submit herewith the Seventh Annual Report of your Corporation for the year ended 31st December, 1940, 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 shows a profit from operations and distribution received from subsidiary amounting to \$684,411.93. After the deductions as set forth in the statement, balance of Earned Surplus for the year amounted to \$502,634.45.

The year under review was one of increased volume of business and your Corporation entered the year of 1941 with a substantial volume of business on hand, which will have its effect on the earnings this current year.

Your Corporation is engaged in considerable direct, as well as indirect war work, and during the year 1940 increased its Plants at Welland and Toronto.

The subsidiary Companies of your Corporation at 31st December, 1940, have also a large back log of business on hand.

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.

PURVIS HALL  
LIBRARIES

MAY 6 1941

McGILL UNIVERSITY

# UNITED STEEL CORP

## BALANCE SHEET AS AT

### ASSETS

#### 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, with the cost of subsequent additions, less Reserve for Depreciation \$161,641.05 \_\_\_\_\_ \$1,667,996.71

#### CURRENT ASSETS:

Cash on hand and in Bank	\$ 11,985.36
Accounts and Notes Receivable, less Reserve	279,269.30
Due by Government	307,947.99
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	784,990.58
	1,384,193.23

#### INVESTMENTS IN SUBSIDIARY COMPANIES:

Common Shares carried at	896,307.87
OTHER INVESTMENTS	95,250.00
DEFERRED CHARGES	4,727.96
DEFERRED EXPENSES in connection with new business	40,003.82
ORGANIZATION EXPENSES	23,852.46
GOODWILL	1.00

#### APPROVED ON BEHALF OF THE BOARD:

SALTER A. HAYDEN,  
Director.

A. G. HOUSE,  
Director.

\$4,112,333.05

### UNITED STEEL CORP GENERAL STATEMENT OF INCOME SURPLUS FOR THE YEAR

Profit from Operations	_____
Distribution received from a Subsidiary	_____
Deduct: Bond Interest	_____
Remuneration to Executive Officers	_____
Advisers	_____
Directors' Fees	_____
Provision for Governmental Taxes	_____
Depreciation	_____

Loss on Sale of Investments	_____
Dividend Class "A" 6% Preferred	_____
Premium and Exchange on Bonds	_____
Legal Expenses in connection with	_____
issue written off	_____
Tax adjustments prior years	_____
Catalogues, Research, etc., written	_____

Added to Earned Surplus for the year	_____
Balance of Earned Surplus brought forward	_____
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 Limited for the year ended \_\_\_\_\_  
We obtained all the information and explanations which we required and we report that in our opinion the Surplus is drawn up so as to exhibit a correct view of the Company's affairs according to the best of our knowledge and belief.  
The Profits and Losses of the Subsidiary Companies have not been dealt with other than the D

Toronto, 10th April, 1941.

# ORATION, LIMITED

31st DECEMBER, 1940

## LIABILITIES

### CURRENT LIABILITIES:

Overdraft at Bank	\$ 303,417.14
Accounts and Notes Payable	545,138.25
Sales Tax Payable	6,195.72
Provision for Governmental Taxes payable in 1941	55,000.00
	909,751.11

DUE TO SUBSIDIARY COMPANY	42,062.95
---------------------------	-----------

### 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 1st January, 1940	22,429 shares \$ 560,725.00
Issued during the year	329 shares 8,225.00
Issued and Outstanding 31st December, 1940	22,758 shares \$ 568,950.00

### Common Shares of No Par Value:

Authorized 500,000 Shares.	
Issued and Outstanding 1st January, 1940	465,611 shares \$1,852,466.61
Issued during the year	3,293 shares 11,533.00
Issued and Outstanding 31st December, 1940	468,904 shares 1,863,999.61
EARNED SURPLUS	727,569.38
	\$4,112,333.05

## ORATION LIMITED AND EXPENDITURE AND EARNED 31st DECEMBER, 1940

	\$145,676.43
	538,735.50
	<u>\$ 684,411.93</u>
ers and Legal	\$ 8,940.00
	9,931.59
	210.00
	48,253.91
	41,667.08
	<u>109,002.58</u>
	\$575,409.35
Shares	\$ 206.65
retired	33,889.58
h former Bond	21,016.45
	3,000.00
off	480.33
	14,181.89
	<u>72,774.90</u>
from last year	\$502,634.45
	224,934.93
1940	<u>\$727,569.38</u>

## REPORT

31st December, 1940.

Our opinion the attached Balance Sheet and General Statement of Income and Expenditure and Earned  
of our information and explanations given us and as shown by the books of the Company on 31st December, 1940.  
tribution shown in the General Statement of Income and Expenditure and Earned Surplus.

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