

ANNUAL
REPORT

*For the Fiscal Year
Ended 31st October*

1934

DOMINION BRIDGE COMPANY LIMITED

DIRECTORS

G. H. DUGGAN, President and Managing Director

W. F. ANGUS, Vice-President

JULIAN C. SMITH, Vice-President

G. W. ALLAN, K.C. Winnipeg
HON. A. J. BROWN, K.C. Montreal
HON. P. BURNS. Calgary
C. H. CARLISLE. Toronto
NORMAN J. DAWES. Montreal
T. R. DEACON. Winnipeg
A. A. HODGSON. Montreal

SIR HERBERT S. HOLT. Montreal
J. W. McCONNELL. Montreal
ROSS H. McMASTER. Montreal
HOWARD MURRAY. Montreal
W. G. MURRIN. Vancouver
H. H. VAUGHAN. Montreal

HEAD OFFICE - LACHINE, P.Q.

F. W. EVENS—Secretary-Treasurer

EXECUTIVE OFFICERS

G. H. DUGGAN. President and Managing Director
W. T. BAILEY. Vice-President
N. W. WARREN. Vice-President
F. P. SHEARWOOD. Chief Engineer
F. NEWELL. Asst. Chief Engineer
J. L. HEALD. Comptroller
F. W. EVENS. Secretary-Treasurer

MANUFACTURING DIVISIONS AND OFFICES

Eastern Division. A. H. COWIE. Manager, Lachine, P.Q.
Ontario Division. A. R. ROBERTSON. Manager, Toronto, Ont.
Western Division. S. W. CAMPBELL. Manager, Winnipeg, Man.
Pacific Coast Division. A. S. GENTLES. Manager, Vancouver, B.C.

BRANCH PLANTS

AMHERST, N.S. J. F. F. MACKENZIE. Local Manager
OTTAWA, ONT. W. A. MATTICE. Local Manager
CALGARY, ALTA. F. L. IRVING. Local Manager

AGENCIES

MONTREAL, P.Q. C. S. KANE, Contracting Engineer. Architects' Bldg.
EDMONTON, ALTA. D. J. CARTER, Agent. 106th and 121st Street
REGINA, SASK. H. CRABTREE, Agent. 1769 Hamilton Street

DOMINION BRIDGE COMPANY LIMITED

18th December, 1934

To the Shareholders of

DOMINION BRIDGE COMPANY LIMITED

Your Directors submit the Annual Report of the Company together with Balance Sheet as at 31st October, 1934, and Profit and Loss Account for the year ended that date.

New business entered during the past year was 67% of that entered in the previous year. The decrease is principally due to the falling off in business obtained from relief works inaugurated by Governments and Municipalities. It is, however, encouraging to note that there was an increase in orders from private companies and an even better sign is that small orders and warehouse sales were 68% larger than in the previous year. While small orders are normally a small proportion of your business, their increase may be taken as an indication of an improvement in general conditions that must take place before the demand spreads to larger structures.

The percentage of total output for the individual plants was: Amherst, 41½%; Lachine, 39%; Ottawa, 2%; Toronto, 17½%; Winnipeg, 20½%; Calgary, 31½%; Vancouver, 13%.

Further reductions have been made in overhead and operating expenses.

Stocks of raw material and manufacturing supplies are well assorted and saleable and the inventories have been taken at conservative prices.

DOMINION BRIDGE COMPANY LIMITED

A reserve against depreciation of inventories was built up during the plentiful years before 1930 when inventories were increasing. Inventories are now about one-third of those carried in 1929 and prices are low, making so large a reserve unnecessary. Your Directors have, therefore, transferred \$480,000 of this reserve to the credit of Profit and Loss.

This transfer enabled your Directors to declare quarterly dividends of 50c. per share, a total of \$2.00 for the year, without appreciably reducing the working capital of your Company.

It is with sorrow your Directors record the deaths of their colleagues, Mr. W. J. Blake Wilson of Vancouver, on the 22nd June, 1934, who had been a Director since February, 1929, and Mr. C. B. McNaught of Toronto, on the 16th September, 1934, who had been a Director since December, 1928. They were deeply interested in the success of the Company and their sound judgment and business ability which were ever at the Company's service are much missed in the conduct of its affairs.

Your Directors wish to record their appreciation of the loyalty and efficiency of the staff throughout the Company's entire organization.

Meetings of your Board of Directors have been held monthly, the books of your Company have been regularly audited and the certificate of your Auditors appears on the Financial Statement herewith submitted.

By order of the Board of Directors,

G. H. DUGGAN,
President.

DOMINION BRIDGE

AND ENTIRELY OWNED

CONSOLIDATED BALANCE SHEET

ASSETS

Fixed Assets

Real Estate, Plant, Machinery and Equipment.....	\$16,034,173.71	
<u>Less</u> Depreciation Reserve.....	6,090,366.64	
		\$ 9,943,807.07*
*(Cost less amounts written off)		
Investments in partly owned Subsidiaries		2,506,397.75
Due by partly owned Subsidiaries.....		26,924.25
Investments in other Companies.....		107,528.45
		<u>\$12,584,657.52</u>

Current Assets

Cash on hand and in Bank.....	\$ 622,835.77	
*Government and other Bonds not exceeding Market Value.....	4,629,756.05	
Deposits on Tenders.....	6,379.68	
Expenditure on Uncompleted Contracts at standard cost less Reserves.....	\$ 2,403,903.16	
<u>Less</u> Amounts received on account.....	1,843,367.73	
		560,535.43
Accounts and Bills Receivable, less Reserve for Doubtful Accounts.....		622,569.85
Stock of Steel, Supplies and Small Tools, at cost which is less than Market Value, less Reserve.....		1,624,626.50
		<u>8,066,703.28</u>
2,649 fully paid no par value shares held by Trust Companies for sale to Employees of the Dominion Bridge Company, Limited.....		40,084.10

Suspended Assets

Unexpired Insurance Premiums, Taxes and Deferred Accounts.....		87,454.23
		<u>\$20,778,899.13</u>

*The Montreal Trust Company holds \$25,000.00 Par Value Bonds as an Insurance Guarantee on account of the Workmen's Compensation Commission and \$97,000.00 Par Value Bonds are held by customers as security on tenders.

G. H. DUGGAN, Director

W. F. ANGUS, Director.

COMPANY LIMITED

SUBSIDIARY COMPANIES

SET AS AT 31st OCTOBER, 1934

LIABILITIES

Capital Stock

Authorized: 600,000 shares of No Par Value

Issued: 513,951 " " \$15,921,366.00

Reserve Accounts

For Plant Extensions and Betterments	\$ 1,000,000.00	
For Accidents in Erection	181,358.36	
		1,181,358.36

Earned Surplus Account

Balance, as per Profit and Loss Account	2,821,658.71
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Current Liabilities

Dividend payable 15th November, 1934	\$ 256,975.50	
Bank Loan for Tender Deposits	3,845.00	
Reserve for Taxes	159,185.26	
Sundry Accounts Payable	434,510.30	
		854,516.06

\$20,778,899.13

Montreal, 18th December, 1934.

Audited and Verified as per our Report of this date.

RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.,
Auditors.

DOMINION BRIDGE COMPANY LIMITED

AND

ENTIRELY OWNED SUBSIDIARY COMPANIES

CONSOLIDATED PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31st OCTOBER, 1934

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Profits from Contracts, Interest and Exchange and Miscellaneous Income.....	\$ 230,671.64
Revenue from Investments.....	293,227.47
Profit on Bonds sold.....	26,937.50
Transfer from Inventory Reserve.....	480,000.00
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	\$1,030,836.61
 <u>Deduct:</u>	
Directors' Fees.....	\$ 20,149.00
Reserve for Income Taxes.....	17,183.27
Depreciation on Plant, Machinery, etc.....	530,477.98
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	567,810.25
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	\$ 463,026.36
 <u>Add:</u>	
Balance at credit 1st November, 1933.....	3,386,534.35
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	\$3,849,560.71
 <u>Deduct:</u>	
Dividend for year.....	1,027,902.00
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Balance, as per Balance Sheet.....	<hr/>
	\$2,821,658.71
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RIDDELL, STEAD, GRAHAM & HUTCHISON

CHARTERED ACCOUNTANTS

460 ST. FRANCOIS XAVIER STREET, MONTREAL

18th December, 1934

To the Shareholders,

DOMINION BRIDGE COMPANY, LIMITED

We have examined and audited the Books and Accounts of the Dominion Bridge Company, Limited, and its entirely owned Subsidiary Companies for the year ended 31st October, 1934, and report thereon as follows:—

The Inventories of Stock on Hand, as certified by responsible Officials of the various Companies, have been valued on a conservative basis.

The Investments in which your Company is interested have been verified by actual inspection of the Securities or by Certificates from the Depositaries in the cases where the Securities are deposited for safe custody or as security.

In accordance with section 114 of the Dominion Companies Act, we report that no portion of the aggregate profits or losses of partly owned Subsidiaries (with the exception of dividends actually declared by one of these) is included in these accounts. Losses have been charged to Surplus in the books of the respective Companies except in one case where a loss of \$668.00 has been carried forward. The proportion of the losses as above, pertaining to this Company, amounts to \$73,837.00.

We report that we have obtained all the information and explanations we have required, and that, in our opinion, the accompanying Balance Sheet as at 31st October, 1934, is properly drawn up so as to exhibit a true and correct view of the state of the Combined Companies' affairs, according to the best of our information and the explanations given to us, and as shown by the Books of the Companies.

RIDDELL, STEAD, GRAHAM & HUTCHISON,

CHARTERED ACCOUNTANTS,

Auditors.

