

CHICAGO FIRE BRICK COMPANY

Accountants' Report

Financial Statements - September 30, 1962

PEAT, MARWICK, MITCHELL & CO.

CERTIFIED PUBLIC ACCOUNTANTS

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111 WEST MONROE STREET

CHICAGO 3, ILLINOIS

ACCOUNTANTS' REPORT

The Board of Directors  
Chicago Fire Brick Company:

We have examined the balance sheet of Chicago Fire Brick Company as of September 30, 1962 and the related statements of earnings and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of earnings and retained earnings present fairly the financial position of Chicago Fire Brick Company at September 30, 1962 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

*Peat, Marwick, Mitchell & Co.*

Chicago, Illinois  
December 10, 1962



## CHICAGO FIRE BRICK COMPANY

## Statement of Earnings

Year ended September 30, 1962  
with comparative figures for 1961

|                                                                                                | <u>1962</u>      | <u>1961</u>      |
|------------------------------------------------------------------------------------------------|------------------|------------------|
| Net sales                                                                                      | \$ 1,951,814     | 1,934,267        |
| Cost of sales                                                                                  | <u>1,395,384</u> | <u>1,426,259</u> |
| Gross profit                                                                                   | 556,430          | 508,008          |
| Engineering, warehousing, and delivery;<br>selling; and administrative and<br>general expenses | <u>516,346</u>   | <u>533,427</u>   |
| Operating profit (loss)                                                                        | 40,084           | (25,419)         |
| Other income, less other deductions                                                            | <u>5,907</u>     | <u>12,280</u>    |
| Earnings (loss) before<br>federal income taxes                                                 | 45,991           | (13,139)         |
| Federal income taxes (refund)                                                                  | <u>18,000</u>    | <u>(7,400)</u>   |
| Net earnings (loss)                                                                            | \$ <u>27,991</u> | <u>(5,739)</u>   |

## Exhibit C

## Statement of Retained Earnings

Year ended September 30, 1962  
with comparative figures for 1961

|                                  |                   |                |
|----------------------------------|-------------------|----------------|
| Balance at beginning of year     | \$ 370,343        | 380,683        |
| Net earnings (loss) for the year | <u>27,991</u>     | <u>(5,739)</u> |
|                                  | 398,334           | 374,944        |
| Dividends paid - \$.50 per share | <u>-</u>          | <u>4,601</u>   |
| Balance at end of year           | \$ <u>398,334</u> | <u>370,343</u> |

See accompanying note to financial statements.

CHICAGO FIRE BRICK COMPANY

Note to Financial Statements

September 30, 1962

According to their financial statements, the net assets at September 30, 1962 and 1961 and the net earnings for the year and the nine months then ended, respectively, of the wholly-owned subsidiary companies were as follows:

|                                    | Sept. 30'62<br>and year<br><u>then ended</u> | Sept. 30'61<br>and<br>nine months<br><u>then ended</u> |
|------------------------------------|----------------------------------------------|--------------------------------------------------------|
| The Wellsville Fire Brick Company: |                                              |                                                        |
| Net assets                         | \$ 1,581,373                                 | 1,549,947                                              |
| Net earnings                       | <u>31,426</u>                                | <u>40,743</u>                                          |
| New Florence Fire Brick Company:   |                                              |                                                        |
| Net assets                         | 199,814                                      | 204,106                                                |
| Net earnings (loss)                | <u>(4,292)</u>                               | <u>3,057</u>                                           |