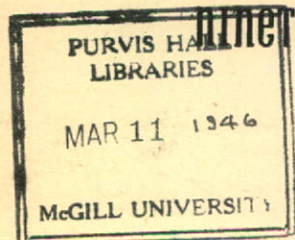


**GYPSUM, LIME
AND
ALABASTINE,
CANADA, LIMITED**



**FIFTEENTH ANNUAL REPORT
1945**



BOARD OF DIRECTORS

GEORGE A. DOBBIE

J. E. McCONNELL	S. G. DIXON, K.C.
C. GORDON COCKSHUTT	P. P. TYLER
R. A. BRYCE	W. H. COOPER

GEORGE A. DOBBIE	- -	President
J. E. McCONNELL	- - -	Vice-President
C. GORDON COCKSHUTT	-	Vice-President
P. P. TYLER	- - - -	Managing Director
F. ANDREWS	- - - -	Comptroller and Treasurer
S. H. J. REID	- - - -	Secretary

Bankers
BANK OF MONTREAL

Transfer Agent
MONTREAL TRUST COMPANY, TORONTO

Registrar
NATIONAL TRUST COMPANY, LIMITED, TORONTO

Auditors
CLARKSON, GORDON, DILWORTH AND NASH

GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED

To the Shareholders :

In presenting the nineteenth Annual Report of your Company's affairs in its present corporate form, together with the consolidated balance sheet and profit and loss statement for the year ended November 30th, 1945, your directors announce that this is the sixtieth anniversary of the incorporation of the original Company.

Operations for the year, after allowance for all charges, including \$296,539.46 for depreciation and depletion, but before income and excess profits taxes, resulted in a net profit of \$666,680.20 or \$1.51 per share. Tax requirements amounted to \$417,000.00 or 94 cents per share, leaving a net addition to surplus account of \$249,680.20 or 57 cents per share.

It is significant to note that, while the increase over 1944 in operating profit before taxes amounted to \$238,464.89, additional tax provision practically absorbed this substantial improvement.

Capital expenditures for the year amounted to \$776,006.48 and included the completion of the new plant at New Westminster, B.C., to which reference was made in the last annual report, a crushing plant at Joliette and a partial erection of a new unit to the rockwool plant at Caledonia. Due to these expenditures working capital shows a moderate reduction.

Having in mind the unprecedented demand for your Company's products, your directors are continuing their policy of the modernization of existing manufacturing facilities.

The purchase of Company bonds during the year reduced the funded debt by \$72,500.00. Of the original issue by the Company and its subsidiary amounting to \$4,600,000.00 there is now outstanding \$2,182,000.00.

Under normal conditions your directors would expect profitable operating results during the post-war years. However, the shortages of some materials which form an integral part of certain of your Company's finished products might tend to curtail maximum output. Furthermore, higher wages and a shorter work-week will increasingly present serious problems in the event of the removal of the ceiling on selling prices being unduly prolonged.

With the release of many of the men from the armed forces, the labor situation has improved, and the Company has welcomed all former employees who have returned from overseas and rejoined the organization. Unfortunately some will not return and our deepest sympathy is extended to their families.

The Directors again take this opportunity of expressing their appreciation of the continued loyalty and support of the executive officers and employees throughout the year.

Submitted on behalf of the Board of Directors.

GEORGE A. DOBBIE,
President.

CONSOLIDATED GYPSUM, LIME AND ALA

and its wholly-owned
STANDARD LIME CO.
(Incorporated under The Law of Ontario)

30th November 1934

ASSETS

CURRENT:

Cash on hand and in banks	\$	222,993.78
Dominion of Canada bonds at cost (market value \$678,800)		675,000.00
Accounts receivable less reserves		620,247.55
Inventories as determined and certified by the management — rock mined valued at cost and other inventories valued at the lower of cost or market.....		735,700.54
Life insurance—cash surrender value.....		81,888.00
Total current assets		\$2,335,829.87

DEFERRED AND SUNDRY:

Repair parts and stores	\$	176,896.17
Deferred development expenditures less amounts written off		152,214.85
Mortgages receivable and sundry prepaid expenses.....		32,541.17
		361,652.19

CASH IN HANDS OF TRUSTEES FOR BONDHOLDERS 38,465.38

REFUNDABLE PORTION OF TAXES ON INCOME..... 124,638.90

FIXED (revalued and written down by the management as at 30th November 1934 with subsequent additions at cost):

Land (freehold and leasehold), buildings, machinery and equipment	\$	5,003,731.63
Mines, mine development and quarries.....		1,800,511.58
		\$6,804,243.21
Less reserves for depreciation and depletion		2,509,512.72
		4,294,730.49

Approved on behalf of the Board

GEORGE A. DOBBIE, Director.
P. P. TYLER, Director.

\$7,155,316.83

BALANCE SHEET

BASTINE, Canada, Limited

Owned subsidiary

COMPANY, LIMITED

(Dominion Companies Act)

December 31, 1945

CURRENT:		LIABILITIES	
Accounts payable and accrued charges	\$ 476,745.90		
Accrued interest on bonds	33,152.76		
Reserve for income, excess profits and other taxes.....	408,747.58	\$ 918,646.24	
Reserve for contingencies		175,000.00	
Total current liabilities		\$1,093,646.24	

FUNDED DEBT:

First mortgage 5½% sinking fund gold bonds due 1st March 1948, payable as to principal and interest at the holders' option in Canadian, United States or Sterling funds:

Authorized and issued:		\$4,000,000.00		
Less: Bonds redeemed and cancelled.....	\$ 383,500.00			
Bonds purchased and held by the company	1,434,500.00	1,818,000.00	2,182,000.00	

Note: Sinking fund payments for the years 1933 to 1945 inclusive have not been made.

CAPITAL AND SURPLUS:

Capital:				
Authorized 500,000 common shares of no par value				
Issued 440,043 common shares of no par value.....	\$2,200,215.00			
Earned surplus	1,679,455.59	3,879,670.59		

\$7,155,316.83

**GYP-SUM, LIME AND ALABASTINE,
CANADA, LIMITED**

and its wholly-owned subsidiary
STANDARD LIME COMPANY, LIMITED

**STATEMENT OF CONSOLIDATED PROFIT AND LOSS
FOR THE YEAR ENDED 30th NOVEMBER 1945**

OPERATING PROFIT for the year before deducting bond interest, depreciation and depletion:	\$1,086,668.43
Deduct:	
Interest on funded debt, including premium on United States funds.....	\$134,812.13
Premium on bonds purchased by the company	5,707.50
Provision for depreciation and depletion..	296,539.46
	437,059.09
OPERATING PROFIT for the year.....	\$ 649,609.34
Add income from investments, including profit on sale thereof	17,070.86
	\$ 666,680.20
NET PROFIT before providing for taxes on income	\$ 666,680.20
Provision for taxes on income	\$475,000.00
Less refundable portion thereof	58,000.00
	417,000.00
NET PROFIT FOR THE YEAR.....	\$ 249,680.20

NOTE—The expenses for the year include the following charges:

Remuneration of executive officers and legal fees.....	\$82,732.37
Remuneration of directors	7,916.60

**STATEMENT OF CONSOLIDATED EARNED SURPLUS
FOR THE YEAR ENDED 30th NOVEMBER 1945**

Balance at credit 30th November 1944.....	\$1,479,775.39
Add net profit for the year as above.....	249,680.20
	\$1,729,455.59
Deduct amount transferred to reserve for contingencies	50,000.00
	\$1,679,455.59

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the consolidated balance sheet of Gypsum, Lime and Alabastine, Canada, Limited and Standard Lime Company, Limited as at 30th November 1945 and the statements of consolidated profit and loss and consolidated earned surplus for the year ended that date. The accounts of Standard Lime Company, Limited included in the consolidated statements were reported upon by Messrs. Riddell, Stead, Graham and Hutchison, Chartered Accountants. We examined or tested accounting records of Gypsum, Lime and Alabastine, Canada, Limited and obtained all the information and explanations we required from its officers and employees; we also made a general review of the accounting methods and of the operating and income accounts for the year but we did not make a detailed audit of the transactions.

We report that in our opinion the accompanying consolidated balance sheet and related statements of consolidated profit and loss and consolidated earned surplus have been drawn up so as to exhibit a true and correct view of the state of the companies' affairs at 30th November 1945 and of the results of their operations for the year ended that date, according to the best of our information and the explanations given us and as shown by the books.

CLARKSON, GORDON, DILWORTH and NASH,
Chartered Accountants.

Hamilton, Canada,
11th February 1946.

HEAD OFFICE

Paris, Ontario.

GENERAL SALES OFFICE

Gypsum House—50 Maitland Street
Toronto, Ont.

BRANCH OFFICES

905 University Tower Bldg., Montreal, Que.	509 Richards Street Vancouver, B.C.
Winnipeg, Man.	

MILLS, MINES and QUARRIES

GYPSUM, LIME and ALABASTINE,
Canada, Limited

Caledonia, Ont.	Gypsumville, Man.
Montreal East, Que.	Hespeler, Ont.
Winnipeg, Man.	Beachville, Ont.
New Westminster, B.C.	Toronto, Ont.
Calgary, Alta.	Milton, Ont.
Falkland, B.C.	Paris, Ont.
Baddeck, N.S.	

STANDARD LIME COMPANY, LIMITED

Joliette, Que.	St. Marc, Que.
Ste. Emelie, Que.	Montreal, Que.

