



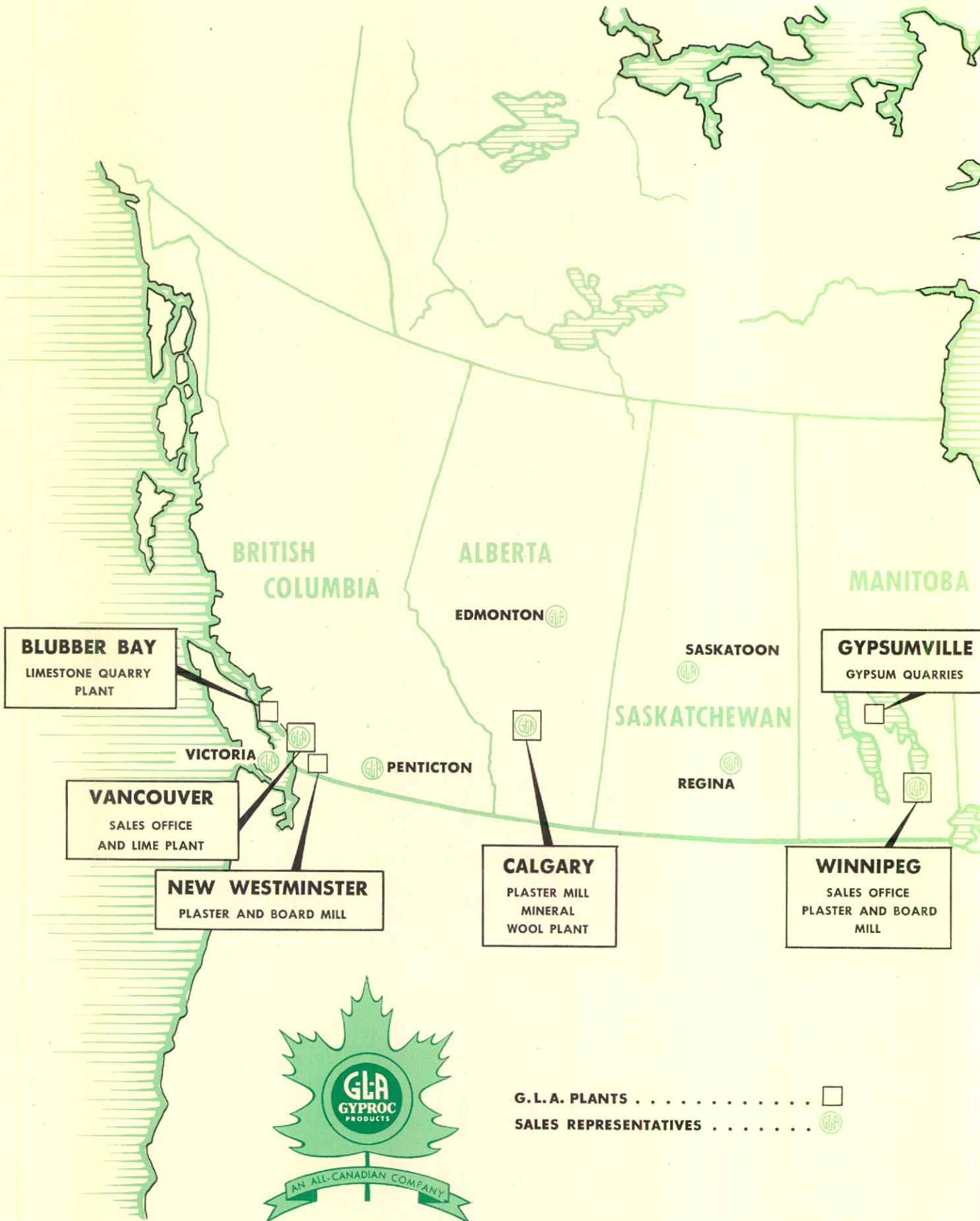
*Gypsum, Lime and Alabastine,
Canada, Limited.*

ANNUAL REPORT 1957

PHYSIS HALL

JAN 30 1958

McGILL UNIVERSITY



Gypsum, Lime and Alabastine, Canada, Limited

Directors

**C. GORDON COCKSHUTT, Brantford, Ontario*

Chairman of the Board and President, Cockshutt Farm Equipment Limited

Director, Imperial Bank of Canada

Director, The Bell Telephone Company of Canada: Director, Toronto General Trusts Corp.

R. A. BRYCE, Toronto, Ontario

Chairman of the Board and President, D. A. Stuart Canadian Oil Company, Limited

President, Macassa Mines Ltd.

Director, National Trust Company Limited: Director, Toronto-Dominion Bank

R. W. COOPER, Hamilton, Ontario

President, Cooper Construction Company: Vice-President, N. Slater Co. Ltd.

Director, Mutual Life Assurance Co. of Canada

**S. G. DIXON, Q.C., Montreal, Quebec*

Chairman of the Board, Courtaulds (Canada) Limited: Director, The Royal Trust Company

Member, Dixon, Senecal, Turnbull, Mitchell & Stairs

G. H. DOBBIE, Galt, Ontario

President, Stauffer-Dobbie Limited: Newlands & Co. Limited

Director, Waterloo Trust and Savings Company: Director, Slingsby Manufacturing Co. Ltd.

**P. N. GROSS, Toronto, Ontario*

President, Gypsum, Lime and Alabastine, Canada, Limited

R. T. HAGER, Vancouver, B.C.

President, The Canadian Fishing Company, Limited: Director, Crown Zellerbach, Canada, Limited

THE HONOURABLE C. G. HAWKINS, Milford Station, Nova Scotia

President, Riversdale Lumber Ltd.

Director, Fairey Aviation of Canada, Ltd.: Director, Minas Basin Pulp and Paper

Director, Nova Scotia Trust

J. H. ROBINSON, Toronto, Ontario

Executive Vice-President, Gypsum, Lime and Alabastine, Canada, Limited: Director, Age Publications Limited

P. P. TYLER, Toronto, Ontario

Past President, Gypsum, Lime and Alabastine, Canada, Limited

**Members of the Executive Committee of the Board*

Officers

C. GORDON COCKSHUTT, Chairman of the Board

PHILIP N. GROSS, President

S. G. DIXON, Q.C., Vice-President

J. H. ROBINSON, Executive Vice-President

K. P. HAYES, Secretary-Treasurer

Bankers

BANK OF MONTREAL

Transfer Agent

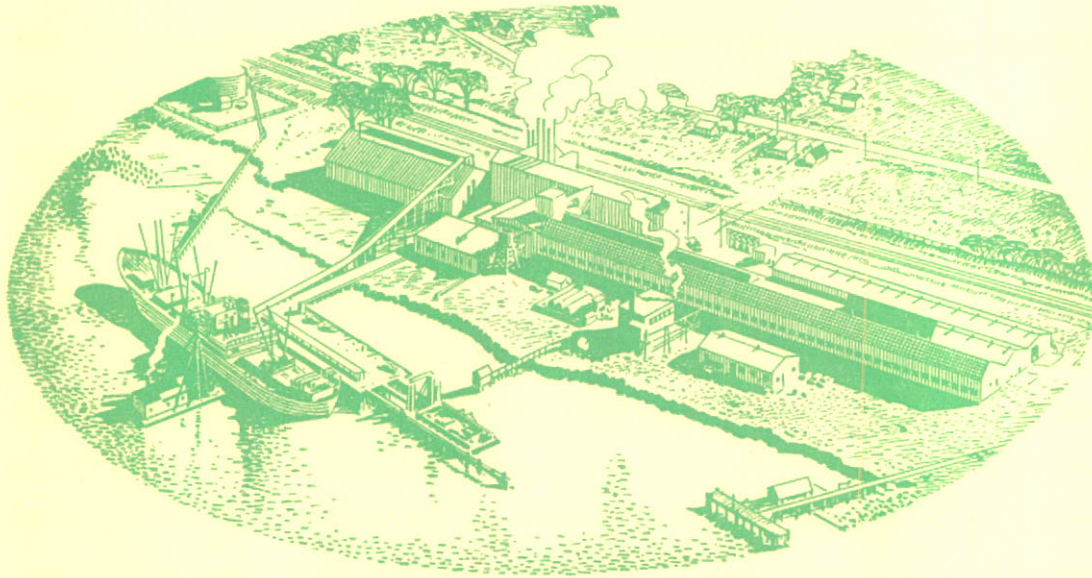
MONTREAL TRUST COMPANY, Toronto, Montreal, Vancouver

Registrar

NATIONAL TRUST COMPANY, LIMITED, Toronto, Montreal, Vancouver

Auditors

CLARKSON, GORDON & CO.



Gypsum Plant (Gyproc) British Columbia

GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED

ANNUAL REPORT *of the*
Board of Directors

TO THE SHAREHOLDERS:

Your Directors take pleasure in submitting herewith the Annual Report of the Company's operations together with the Auditors' Report and accompanying Consolidated Balance Sheet and Profit and Loss Statement for the fiscal year ended November 30, 1957.

Earnings during the past year have been maintained despite a lower level of residential construction.

An increased market for limestone products manufactured by your Company resulted in record sales volume and earnings for the Industrial division.

Net income for the year 1957 after all charges other than income taxes amounted to \$3,771,706 or \$4.28 per share. Federal and Provincial income taxes required a deduction of \$1,702,000 or \$1.93 per share, leaving a net profit transferred to Surplus Account of \$2,069,706 or \$2.35 per share. The annual depreciation and depletion charge amounted to \$1,395,500 which increased the accumulated depreciation reserve to \$12,168,172.

Total Net Capital Expenditures for the year amounted to \$1,781,678 which included the construction of a second Rotary Kiln at Beachville, and the modernization of the Windsor plant, Nova Scotia. With the completion of these projects, plant productive capacities are adequate to meet all present demands. In view of long term potential for increased growth in the Canadian market, engineering studies for further plant expansion are now being made in order to meet the anticipated demand for your Company's products. During the coming year the modernization and rehabilitation programme will be continued and it is anticipated Capital expenditures will approximate \$1,900,000.

With the payment of \$100,000 serial bonds maturing 1st November, 1957 and the purchase and retirement of an additional \$100,000 serial bonds in advance of due dates, Funded Debt has been reduced to \$800,000. A total dividend of \$1.20 per share was paid to the shareholders during 1957. Your Directors have also declared two quarterly dividends of thirty cents per share payable March 3, 1958 and June 2, 1958.

In the closing months of 1957 there was an appreciable improvement in the volume of residential construction. It is anticipated that the early months of 1958 will show an improvement over the similar period in 1957. Indications are that the demand for industrial products will be satisfactory during the coming year.

Senator C. G. Hawkins of Milford Station, Nova Scotia and Roger T. Hager of Vancouver, British Columbia were elected to the Board of Directors in 1957. Your Directors express sincere appreciation of the loyalty and efficiency of all members of the organization whose efforts have made the successful progress of your Company possible.

Submitted on behalf of the Board of Directors,

PHILIP NORCROSS GROSS,
President.

GYPSUM, LIME AND ALAB

(Incorporated under
AND ITS WHOLLY-OWNED SUBSIDIAR

Consolidated

NOVEMBER

ASSETS

(with comparative figure

| | 1957 | 1956 |
|--|--------------|--------------|
| CURRENT: | | |
| Cash | \$ 992,377 | \$ 1,305,140 |
| Government of Canada bonds and treasury bills at cost (approximate market value \$2,350,000) | 2,396,514 | 1,603,106 |
| Accounts receivable less allowance for doubtful accounts | 2,498,455 | 2,404,700 |
| Inventories at the lower of cost or market— | | |
| Raw materials and supplies | 2,063,501 | 2,253,400 |
| Finished and in process products | 692,069 | 628,024 |
| | 2,755,570 | 2,881,424 |
| Prepaid expenses and sundry deposits | 136,269 | 103,947 |
| Total current assets | \$ 8,779,185 | \$ 8,298,317 |
| FIXED ASSETS AT COST: | | |
| Land, buildings, machinery and equipment | \$17,935,306 | \$16,152,465 |
| Mines, mine development and quarries | 2,083,578 | 2,084,741 |
| | \$20,018,884 | \$18,237,206 |
| Less accumulated depreciation and depletion | 12,168,173 | 10,795,162 |
| | \$ 7,850,711 | \$ 7,442,044 |
| | \$16,629,896 | \$15,740,361 |

* Note: During 1957 the options granted in 1956 were cancelled and new options were granted to employees for the purchase of 10,950 shares at \$20.03 a share exercisable in equal annual instalments during the five year period ending on June 6, 1961. In 1957, 1,730 shares were issued under these options for a total of \$34,652.

Auditors' Report

To the Shareholders of GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED:

We have examined the consolidated balance sheet of Gypsum, Lime and Alabastine, Canada, Limited, and its wholly-owned subsidiary, Standard Lime Company, Limited, as at November 30, 1957 and the statements of consolidated profit and loss and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures of Gypsum, Lime and Alabastine, Canada, Limited and such tests of the accounting records and other supporting evidence as we considered necessary in the circumstances.

The accounts of Standard Lime Company, Limited, included in the consolidated statements, were examined and reported upon by other independent accountants.

A S T I N E , C A N A D A , L I M I T E D

(Incorporated under the laws of Canada)

S T A N D A R D L I M E C O M P A N Y , L I M I T E D

Balance Sheet

December 31, 1957

(Comparison with balance sheet as at November 30, 1956)

LIABILITIES

CURRENT:

| | 1957 | 1956 |
|---|--------------|--------------|
| Accounts payable and accrued charges - - - - - | \$ 1,270,740 | \$ 1,117,736 |
| Income and other taxes payable - - - - - | 689,174 | 799,861 |
| Sinking fund instalment due within one year - - - - - | — | 100,000 |
| Total current liabilities - - - - - | \$ 1,959,914 | \$ 2,017,597 |

| | | |
|-------------------------------------|------------|------------|
| RESERVE FOR CONTINGENCIES - - - - - | \$ 500,000 | \$ 500,000 |
|-------------------------------------|------------|------------|

FUNDED DEBT:

| | | |
|---|------------|--------------|
| First mortgage and collateral trust bonds— | | |
| Authorized \$3,000,000 whereof \$2,000,000 were originally issued | | |
| 3½% bonds due November 1, 1966 - - - - - | \$ 800,000 | \$ 1,000,000 |
| Less sinking fund instalment due on November 1, 1957 - - - - - | — | 100,000 |
| | \$ 800,000 | \$ 900,000 |

CAPITAL STOCK AND SURPLUS:

| | | |
|--|--------------|--------------|
| Capital stock— | | |
| Authorized | | |
| 1,000,000 common shares of no par value | | |
| Issued (note*) | | |
| 881,816 common shares of no par value | | |
| (880,086 at November 30, 1956) - - - - - | \$ 2,234,867 | \$ 2,200,215 |
| Earned surplus - - - - - | 11,135,115 | 10,122,549 |
| | \$13,369,982 | \$12,322,764 |
| | \$16,629,896 | \$15,740,361 |

Approved on behalf of the Board:

C. GORDON COCKSHUTT, *Director*

PHILIP N. GROSS, *Director*

In our opinion the accompanying consolidated balance sheet and statements of consolidated profit and loss and earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the companies as at November 30, 1957 and of the results of their operations for the year ended on that date, according to the best of our information, the explanations given to us and as shown by the books of the company and the audited accounts of the subsidiary.

TORONTO, CANADA, January 6, 1958.

CLARKSON, GORDON & Co.,
Chartered Accountants.

GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED

AND ITS WHOLLY-OWNED SUBSIDIARY STANDARD LIME COMPANY, LIMITED

Statement of Consolidated Profit and Loss

FOR YEAR ENDED NOVEMBER 30, 1957

(with comparative figures for the year ended November 30, 1956)

| | 1957 | 1956 |
|--|--------------|--------------|
| Operating profit for the year before deducting the following charges - - - - - | \$ 5,148,475 | \$ 4,827,453 |
| Deduct: | | |
| Interest on funded debt - - - - - | \$ 31,784 | \$ 35,000 |
| Depreciation and depletion (see note 2) - - - - - | 1,395,499 | 1,160,443 |
| | \$ 1,427,283 | \$ 1,195,443 |
| | \$ 3,721,192 | \$ 3,632,010 |
| Add income from investments - - - - - | 50,515 | 58,601 |
| Profit before income taxes - - - - - | \$ 3,771,707 | \$ 3,690,611 |
| Income taxes - - - - - | 1,702,000 | 1,632,000 |
| Net profit for year - - - - - | \$ 2,069,707 | \$ 2,058,611 |

- Notes: 1. The expenses for 1957 include the following charges:
Remuneration of executive officers and legal fees \$88,355, Directors' fees \$9,750.
2. The company intends to claim for federal tax purposes \$228,000 additional depreciation which has not been recorded in the accounts and which will reduce the estimated federal tax payable in respect of the 1957 fiscal year by approximately \$110,000.

Statement of Consolidated Earned Surplus

FOR YEAR ENDED NOVEMBER 30, 1957

(with comparative figures for the year ended November 30, 1956)

| | 1957 | 1956 |
|---|--------------|--------------|
| Balance at beginning of year - - - - - | \$10,122,549 | \$ 9,120,041 |
| Add net profit for year - - - - - | 2,069,707 | 2,058,611 |
| | \$12,192,256 | \$11,178,652 |
| Deduct dividends paid at \$1.20 per share - - - - - | 1,057,141 | 1,056,103 |
| Balance at end of year - - - - - | \$11,135,115 | \$10,122,549 |

Statement of Consolidated Sources and Uses of Funds

FOR YEAR ENDED NOVEMBER 30, 1957

(figures rounded to nearest \$1,000)

Funds were received from:

| | | |
|---|--------------|--------------|
| Operations— | | |
| Net profit for the year - - - - - | \$ 2,070,000 | |
| Add depreciation and depletion—charges to operations not requiring an outlay of funds - - - - - | 1,395,000 | \$ 3,465,000 |
| Proceeds from sale of fixed assets (after deducting profit on sale included in net profit for the year) - - - - - | | 108,000 |
| Proceeds from the issue of capital stock - - - - - | | 35,000 |
| | | \$ 3,608,000 |

Funds were used to:

| | | |
|------------------------------------|--|--------------|
| Purchase fixed assets - - - - - | | \$ 1,912,000 |
| Reduce funded debt - - - - - | | 100,000 |
| Pay dividends - - - - - | | 1,057,000 |
| Increase working capital - - - - - | | 539,000 |
| | | \$ 3,608,000 |

TEN YEAR COMPARATIVE FINANCIAL SUMMARY

| YEAR | CURRENT ASSETS | CURRENT LIABILITIES | WORKING CAPITAL | ADDITIONS TO FIXED ASSETS | FIXED ASSETS | ACCUMULATED DEPRECIATION | FUNDED DEBT | RESERVE FOR CONTINGENCIES | INCOME TAXES | NET PROFIT PER SHARE | DIVIDENDS PAID PER SHARE | EARNED SURPLUS |
|------|----------------|---------------------|-----------------|---------------------------|--------------|--------------------------|-------------|---------------------------|--------------|----------------------|--------------------------|----------------|
| 1957 | \$8,779,185 | \$1,959,914 | \$6,819,271 | \$1,781,678 | \$20,018,884 | \$12,168,173 | \$ 800,000 | \$ 500,000 | \$1,702,000 | \$2,069,707 †2.35 | \$1,057,141 †1.20 | \$11,135,115 |
| 1956 | 8,298,317 | 2,017,597 | 6,280,720 | 2,456,455 | 18,237,206 | 10,795,162 | 900,000 | 500,000 | 1,632,000 | 2,058,611 †2.34 | 1,056,103 †1.20 | 10,122,549 |
| 1955 | 9,105,886 | 2,313,792 | 6,792,094 | 1,683,219 | 15,780,751 | 9,843,630 | 1,000,000 | 500,000 | 2,059,000 | 2,263,079 5.14 | 1,056,103 2.40 | 9,120,041 |
| 1954 | 7,944,063 | 1,726,552 | 6,217,511 | 1,268,480 | 14,097,532 | 8,784,009 | 1,000,000 | 500,000 | 1,430,000 | 1,662,091 3.78 | 880,086 2.00 | 7,913,065 |
| 1953 | 7,633,030 | 1,749,013 | 5,884,017 | 846,015 | 12,829,052 | 7,958,949 | 1,000,000 | 500,000 | 1,555,000 | 1,613,910 3.67 | 880,086 2.00 | 7,131,060 |
| 1952 | 7,186,626 | 1,699,514 | 5,487,112 | 1,123,740 | 11,983,036 | 7,164,122 | 1,300,000 | 500,000 | 1,172,000 | 1,132,878 2.57 | 880,086 2.00 | 6,397,236 |
| 1951 | 6,899,449 | 1,919,970 | 4,979,479 | 604,307 | 10,859,297 | 6,219,535 | 1,400,000 | 300,000 | 1,625,000 | 1,613,234 3.67 | 704,068 1.60 | 6,344,444 |
| 1950 | 5,782,585 | 1,790,339 | 3,992,246 | 665,416 | 10,427,840 | 5,496,638 | 1,500,000 | 300,000 | 1,228,000 | 1,762,194 4.00 | 616,060 1.40 | 5,435,278 |
| 1949 | 4,450,913 | 1,521,222 | 2,929,691 | 1,429,004 | 9,762,424 | 4,840,477 | 1,600,000 | 300,000 | 928,000 | 1,390,037 3.15 | 550,053 1.25 | 4,289,144 |
| 1948 | 4,377,439 | 1,459,991 | 2,917,448 | 652,535 | 8,333,420 | 4,199,803 | 1,700,000 | 300,000 | 929,300 | 1,155,173 2.63 | 440,043 1.00 | 3,413,263 |

†Dividends and Net Profit per share expressed in terms of new shares which were subdivided on a basis of 2 for 1 during 1956.

GYPSUM, LIME AND ALABASTINE, CANADA, LIMITED

HEAD OFFICE

GYPSUM HOUSE
50 Maitland Street
TORONTO, ONTARIO

W. E. ARMSTRONG
General Manager
Construction Materials Division
I. M. HAGAN
Production Manager
Construction Materials Division
J. A. GRAHAM
Sales Engineer
Construction Materials Division
D. R. ELWOOD
Purchasing Agent
D. W. L. FAIRBAIRN
Chief Plant Engineer
Z. FLANNERY
Head Office Accountant

D. C. NICKLE
General Manager
Industrial Materials Division
W. G. SMITH
Production Manager
Industrial Materials Division
W. G. GREENLEY
Plant Accountant
R. HUTCHISON
Traffic Manager
J. B. O'REILLY
Industrial Relations
L. F. PETERS
Assistant Head Office Accountant
D. J. KIMPSON
Credit Manager

DISTRICT OFFICES

BRITISH COLUMBIA
1105 West Pender St., VANCOUVER
W. M. TULLY
Area Manager
R. H. TUCKER
Construction Materials Sales Manager
A. M. STEWART
Industrial Materials Sales Manager
J. DUNCAN
B.C. Area Accountant

PRAIRIES
Sargent & St. James Sts., WINNIPEG
D. MACAULAY
Area Manager
W. S. ARMSTRONG
Construction Materials Sales Manager
J. G. H. WOOLLEY
Prairies Area Accountant

ONTARIO
50 Maitland St., TORONTO
H. A. STANDING
Area Manager
J. G. JOHNSTON
Construction Materials Sales Manager
W. D. HARCRAFT
Industrial Materials Sales Manager

QUEBEC
940 Côte de Liesse Road, MONTREAL
L. A. PRESSE
Area Manager
G. BURT
Construction Materials Sales Manager
P. E. GARNEAU
Industrial Materials Sales Manager

MARITIMES
WINDSOR, N.S.
K. G. EISNER
Manager

GYPSUM MINES, MILLS and QUARRIES

NEW WESTMINSTER, B.C.
Plaster Mill and Wallboard Plant
H. F. MCGILL
Plant Manager
CALGARY, ALTA.
Plaster Mill and Gyproc Wool Insulation Plant
S. EVANS
Superintendent
WINNIPEG, MAN.
Plaster Mill and Wallboard Plant
D. A. HADDY
Plant Manager
GYPSUMVILLE, MAN.
Gypsum Quarry
J. BENNET
Superintendent

CALEDONIA, ONT.
Gypsum Mine, Plaster Mill, Wallboard Plant and Gyproc Wool Insulation Plant
J. E. GILLESPIE
Plant Manager
MONTREAL EAST, QUE.
Plaster Mill and Wallboard Plant
C. L. DRYDEN
Plant Manager
BADDECK, N.S.
Gypsum Quarry
WINDSOR, N.S.
Gypsum Quarry and Plaster Mill
S. JOHNSON
Superintendent

LIMESTONE QUARRIES and LIME PLANTS

BLUBBER BAY, B.C.
A. PITT
Plant Manager
GRANVILLE ISLAND, B.C.
F. ILOTT
Superintendent
BEACHVILLE, ONT.
R. S. ADAMS
Plant Manager
L. BUTTERWORTH
Assistant Plant Manager
HESPELER, ONT.
W. T. UNSWORTH
Plant Manager
MILTON, ONT.
G. BLACK
Superintendent

JOLIETTE, QUE.
R. DUBEAU
Plant Manager
ST. MARC, QUE.
B. LEVESQUE
Superintendent
STE. EMELIE, QUE.
Sand and Gravel
P. E. ALLARD
Superintendent
MONTREAL, QUE.
Sand Lime Brick Plant
G. H. CARTIER
Superintendent

WATER PAINT and STUCCO PLANTS

PARIS, ONT.
L. C. LYMBURNER
Superintendent

TORONTO, ONT.
Stucco Products Plant
E. J. EARON
Superintendent

RESEARCH, DEVELOPMENT and QUALITY CONTROL

CALEDONIA, ONT.
M. C. HALLER
Director of Research & Development—Gypsum
J. F. WHITEHEAD
Quality Control Supervisor—Gypsum

PARIS, ONT.
J. ERDLEY
Director of Research & Development—Lime

