

C *Notes & file*

**DOMINION
OILCLOTH & LINOLEUM
COMPANY LIMITED**

MONTREAL

ESTABLISHED

1872



EIGHTY-THIRD

ANNUAL REPORT

FOR THE YEAR ENDED

31st OCTOBER 1955

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DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Established 1872



EIGHTY-THIRD
ANNUAL REPORT

FOR THE YEAR ENDED
31st OCTOBER 1955



Head Office & Factories:

2200 ST. CATHERINE STREET EAST,
MONTREAL, P.Q.



Sales Offices:

ROOMS 1108-1109, STERLING TOWER BUILDING,
372 BAY STREET,
TORONTO, ONT.

—
ROOM 911, DOMINION BANK BUILDING,
207 WEST HASTINGS STREET,
VANCOUVER, B.C.

—
ROOM 901, ELECTRIC RAILWAY CHAMBERS,
213 NOTRE DAME AVE.,
WINNIPEG, MAN.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Eighty-third Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors have pleasure in submitting the Eighty-third Annual Report and Financial Statements of your company for the fiscal year ended 31st October 1955. The certified report of your auditors, Messrs. Hyde & Houghton, C.A., is also submitted.

The net profit for the year amounted to \$1,880,950.49 as compared with \$1,889,487.44 in the previous year. This represents earnings of \$2.47 per share as against \$2.48 in 1954. Quarterly dividends of forty cents per share and, on 31st October 1955, a final dividend of forty cents per share, were paid on the N.P.V. Common Stock of the Company, making a total of Two Dollars per share, which is the same as for the previous fiscal year.

Depreciation has in all cases been taken at the maximum rates allowed under the Regulations of the Income Tax Act.

As stated in last year's Annual Report, strikes were called on November 16th, 1954 by the National Union of Linoleum Workers of Montreal and Farnham (C.C.C.L.) at two of your company's plants and had not been settled at that time of writing. On February 8th, 1955 an Agreement was arrived at and steady employment was maintained for the balance of the year.

Sales both in dollars and yardage were affected by these work stoppages but by the end of the year were only slightly down compared with the previous year. Export sales remained at a low level while competition from both the United Kingdom and the United States continued to be very keen.

Two extensions, involving major capital expenditures, were started at your company's main plant, but have been seriously delayed by the late delivery of steel. These two additions are now expected to be completed in March and July of next year. A three-stage extension to the Congoleum Canada Limited plant is well advanced. The first addition was finished on September 15th, 1955, the second should be completed in January 1956 and the contract for the last stage has just been let. The cost of all these projects is estimated to be \$2,000,000 and no new financing will be required. These additions will increase capacity and should improve both quality and efficiency and put your companies in a still better position to serve their customers.

Prices remained constant throughout the year, as raw materials were in good supply and reasonable in cost.

On Thursday, November 17th, 1955, a Special General Meeting was called to ratify and confirm By-Law No. 15, which had been passed by the Board of Directors on October 31st, 1955, increasing the number of directors from ten to twelve. I am pleased to report that this By-Law was adopted and that subsequently the Honourable G. B. Foster, Q.C. and Mr. Ross Clarkson were elected to fill the vacancies thus created.

Your company now has 1,860 shareholders and employs 1,585 men and women in its own and subsidiary plants, 261 of whom have over twenty-five years of service and there are also 61 on retirement after an average of over thirty-two years' service.

Your Directors wish to record their sincere appreciation of the loyal and efficient service rendered by both officers and employees during the past year.

On behalf of the Board,

KEN. B. ROBERTON,
President.

MONTREAL, 22nd December 1955.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

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Income and Expenditure Account

YEAR ENDED 31st OCTOBER 1955

(With comparative figures for the year ended 31st October 1954)

| | <u>1955</u> | <u>1954</u> |
|---|----------------|----------------|
| Operating Profit before Provision for Depreciation, etc. - | \$2,145,195.42 | \$2,306,991.26 |
| Income from Investments in Subsidiary and Affiliated Companies and other Investments - - - - - | 1,033,473.47 | 970,540.97 |
| | 3,178,668.89 | 3,277,532.23 |
| <i>Deduct:</i> | | |
| Provision for Depreciation - - - - - | 316,772.18 | 284,442.12 |
| Federal Income Tax and Provincial Profits Tax - - | 789,694.05 | 897,071.57 |
| Foreign Income Taxes - - - - - | 9,418.80 | 8,175.59 |
| Legal Expenses - - - - - | 1,378.85 | 2,680.90 |
| Salaries and Directors' Fees paid to Executive Officers | 176,454.52 | 191,674.61 |
| Fees Paid to Other Directors - - - - - | 4,000.00 | 4,000.00 |
| | 1,297,718.40 | 1,388,044.79 |
| <i>Net Profit for the Year:</i> - - - - - | \$1,880,950.49 | \$1,889,487.44 |

Note: The total remuneration received by Directors from Subsidiary Companies amounted to \$7,400.00 in 1955; \$7,029.47 in 1954.

DOMINION OILCLOTH COMPANY

Balance Sheet as at
(With comparative figures)

| | ASSETS | |
|--|-----------------|-----------------|
| <i>Current:</i> | 1955 | 1954 |
| Cash - - - - - | \$ 246,607.45 | \$ 729,949.62 |
| Investment in Short Term Notes - - - - | — | 99,866.67 |
| Accounts Receivable - - - - - | 1,696,587.46 | 1,356,924.16 |
| Inventories - - - - - | 3,365,950.11 | 3,463,190.97 |
| | 5,309,145.02 | 5,649,931.42 |
| Merchandise and Raw Materials. Physical Inventory taken and valued at the lower of Cost or Market Price. | | |
| <i>Fixed:</i> | | |
| Real Estate, Buildings and Plant Valued at Cost - | 8,915,321.41 | 8,329,016.07 |
| Less: Accumulated Depreciation - - - - | 5,469,844.01 | 5,232,420.89 |
| | 3,445,477.40 | 3,096,595.18 |
| <i>Investments in Subsidiary Companies at Cost:</i> | | |
| Preferred and Common Stocks - - - - - | 3,213,970.05 | 3,213,970.05 |
| <i>Investments in Affiliated Companies at Cost:</i> | | |
| Common Stocks - - - - - | 835,374.21 | 807,049.21 |
| <i>Other Investments at Cost:</i> | | |
| Bonds, Preferred and Common Stocks - - - | 3,184,607.15 | 2,975,920.43 |
| (Approx.) Market Value: 1955, \$4,634,007.00 1954, \$4,077,348.00 | | |
| <i>Prepaid Expense:</i> - - - - - | 17,779.47 | 32,946.28 |
| | \$16,006,353.30 | \$15,776,412.57 |

TO THE SHAREHOLDERS,
DOMINION OILCLOTH AND LINOLEUM COMPANY LIMITED,
MONTREAL

MONTREAL, P.Q., 19th DECEMBER, 1955.

We have examined the books and accounts of Dominion Oilcloth and Linoleum Company Limited for the year ended 31st October, 1955 and have obtained all the information and explanations we have required. In our opinion, this Balance Sheet and the related Statements of Income and Expenditure and Surplus are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st October, 1955 and the results of its operations for the year ended on that date according to the best of our information and the explanations given to us and as shown by the books of the Company.

As required under Section 118 of The Companies Act, we report that profits of Subsidiary Companies have been included in the Income and Expenditure Account to the extent to which dividends have been received from them.

HYDE AND HOUGHTON,
Chartered Accountants, Auditors.

WORTH & LINOLEUM LIMITED

31st October 1955

(as at 31st October 1954)

| | LIABILITIES | |
|--|------------------------|------------------------|
| | <u>1955</u> | <u>1954</u> |
| <i>Current:</i> | | |
| Accounts Payable - - - - - | \$ 569,068.68 | \$ 625,605.54 |
| Provision for Federal and Provincial Taxes, balance owing - - - - - | 450,646.61 | 559,468.35 |
| | <hr/> | <hr/> |
| | 1,019,715.29 | 1,185,073.89 |
| <i>Insurance Fund Reserve:</i> - - - - - | 1,000,000.00 | 1,000,000.00 |
| <i>Capital:</i> | | |
| <i>Authorized:</i> 1,000,000 shares no par value Common Stock. | | |
| <i>Issued and Fully Paid:</i> 760,000 shares - - - | 6,400,000.00 | 6,400,000.00 |
| <i>Surplus Accounts:</i> | | |
| Capital Surplus - - - - - | 1,083,175.73 | 1,048,826.89 |
| Earned Surplus - - - - - | 6,503,462.28 | 6,142,511.79 |
| | <hr/> | <hr/> |
| | <u>\$16,006,353.30</u> | <u>\$15,776,412.57</u> |

Contingent Liabilities:

Nil.

Approved on behalf of the Board of Directors,

KEN. B. ROBERTON, *Director.*

E. S. TRUDEAU, *Director.*

DOMINION OILCLO COMPANY

Earned Surplus Account

YEAR ENDED 31st OCTOBER 1955

(With comparative figures for the year ended 31st October 1954)

| | <u>1955</u> | <u>1954</u> |
|---|------------------------------|------------------------------|
| Balance forward at commencement of the Year - - - | \$6,142,511.79 | \$5,773,024.35 |
| <i>Add:</i> Net Profit for the Year - - - - - | 1,880,950.49 | 1,889,487.44 |
| | <u>8,023,462.28</u> | <u>7,662,511.79</u> |
| <i>Deduct:</i> Dividend Paid on no par value Common Stock - | <u>1,520,000.00</u> | <u>1,520,000.00</u> |
| <i>Balance at Credit at end of the Year - - - -</i> | <u><u>\$6,503,462.28</u></u> | <u><u>\$6,142,511.79</u></u> |

Capital Surplus Account

| | <u>1955</u> | <u>1954</u> |
|---|------------------------------|------------------------------|
| Balance forward at commencement of the Year - - - | \$1,048,826.89 | \$ 973,261.17 |
| <i>Add:</i> Realized Appreciation of Securities - - - - | 33,867.11 | 75,565.72 |
| Gain on Disposal of Fixed Assets - - - - | <u>481.73</u> | <u>—</u> |
| <i>Balance at Credit at end of the Year - - - -</i> | <u><u>\$1,083,175.73</u></u> | <u><u>\$1,048,826.89</u></u> |

TH & LINOLEUM LIMITED

DIRECTORS

| | |
|-------------------------|-------------------------------------|
| JOHN F. BAILLIE | AIR VICE-MARSHAL F. S. MCGILL, C.B. |
| ROSS CLARKSON | SIR GEORGE NAIRN, BART. |
| A. DE TILLY | SIR ROBERT SPENCER-NAIRN, BART. |
| HON. G. B. FOSTER, Q.C. | KEN. B. ROBERTON |
| G. BLAIR GORDON | J. G. ROBERTON |
| C. E. GRAVEL | E. S. TRUDEAU |

OFFICERS

| | | |
|-------------------------------------|-----------|---|
| KEN. B. ROBERTON | - - - - - | <i>President</i> |
| J. G. ROBERTON | - - - - - | <i>Vice-President and Managing Director</i> |
| E. S. TRUDEAU | - - - - - | <i>Vice-President (Finance)</i> |
| AIR VICE-MARSHAL F. S. MCGILL, C.B. | - - - - - | <i>Vice-President (Sales)</i> |
| A. DE TILLY | - - - - - | <i>Treasurer</i> |
| JOHN F. BAILLIE | - - - - - | <i>Secretary</i> |

TRANSFER AGENTS

| | |
|-------------------------|----------------------|
| THE ROYAL TRUST COMPANY | MONTREAL AND TORONTO |
|-------------------------|----------------------|

REGISTRAR OF TRANSFERS

| | |
|------------------|----------------------|
| BANK OF MONTREAL | MONTREAL AND TORONTO |
|------------------|----------------------|

SUBSIDIARIES

| | |
|---|----------|
| BARRY AND STAINES LINOLEUM (CANADA) LIMITED | FARNHAM |
| CONGOLEUM CANADA LIMITED | MONTREAL |
| MANUFACTURERS HOLDINGS LIMITED | MONTREAL |

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

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*Below are listed the more important products manufactured
by your Company:*

MARBOLEUM

DOMINION LINOGRIP CEMENT

DOMINION INLAID LINOLEUM
(Straight Line, Moulded and Embossed)

DOMINION WATERPROOF CEMENT

DOMINION JASPÉ LINOLEUM

DOMINION TABLE OILCLOTH

DOMINION HANDICRAFT LINOLEUM

DOMINION BROCADE TABLE COVERS

DOMINION BATTLESHIP AND PLAIN LINOLEUM

DOMINION SHELF OILCLOTH

LINOLEUM TILES
(Marbleum, Jaspé, Handicraft and Plain)

DOMINION ENAMELLED OILCLOTH

CORK CARPET

DOMOLEATHER

REXOLITE
(Printed Vinyl Plastic)

DOMOLITE AND DOMOLIN
(For Tables, Curtains, Novelties, etc.)

PLASTIC COUNTER TOPPING AND WALL
COVERING

KRAFTOL
(Coated Paper, Plain and Embossed)

REXOLEUM AND REXOLEUM PASSAGE

LEATHERKRAFT

REXOLEUM RUGS

SANITILE WALL COVERING

REXOLEUM MATS

DOMINION LIQUID WAX

