

Stock

**DOMINION
OILCLOTH & LINOLEUM
COMPANY LIMITED**

MONTREAL

ESTABLISHED

1872

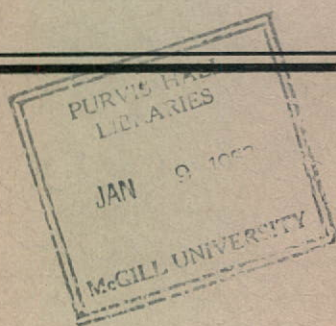


ANNUAL REPORT

FOR THE YEAR ENDED

31st OCTOBER 1952

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DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Established 1872



EIGHTIETH ANNUAL REPORT

FOR THE YEAR ENDED

31st OCTOBER 1952

✓
Head Office & Factories:

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

✓
Sales Offices:

ROOM 309, STERLING TOWER BUILDING,
372 BAY STREET,
TORONTO, ONT.

—
ROOM 904, DOMINION BANK BUILDING,
207 WEST HASTINGS STREET,
VANCOUVER, B.C.

—
ROOM 800, ELECTRIC RAILWAY CHAMBERS,
213 NOTRE DAME AVE.,
WINNIPEG, MAN.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Eightieth Annual Report of the Board of Directors

The Board of Directors have pleasure in presenting their Annual Report and Financial Statements for the fiscal year ended 31st October, 1952. The certified report of your auditors, Messrs. Hyde & Houghton, C.A., is also submitted.

The Company operated at reduced capacity during the first quarter of the year, owing to a falling-off in demand. However, as inventories throughout the wholesale and retail trade fell to a low level, the orders increased by midyear and from that time on your company operated at capacity.

While consolidated sales were very much the same as for the previous year, excessive taxation and increased labour costs resulted in the earnings being somewhat reduced from \$2.23 last year to \$1.90 per share this year on the common and deferred stock. Since the beginning of the year, however, the situation has improved and we look forward to the future with confidence.

Export business, although still at a very low level, was slightly better than last year as the British West Indies and other markets have been partially opened to Canadian products.

The regular dividend of \$1.60 was paid during the year on both classes of stock and an extra dividend of twenty cents per share on both the N.P.V. Common and Deferred Shares of the company has been declared, payable January 30th, 1953, out of the earnings of the year ended 31st October, 1952. The payment of this extra dividend will only be reflected in the earned surplus account as of 31st October, 1953.

There is no present shortage of raw materials, but prices are still high and are far from being stable. The 1952 flax crop assures Canada of a plentiful supply and prices are lower than a year ago, so that we can count upon an adequate supply of linseed oil at more reasonable prices during the current year.

Your company spent \$500,000.00 and your subsidiaries \$250,000.00 completing all buildings under construction at the beginning of the year and adding numerous items of equipment, which should result in more economical operation of the various plants and increase their efficiency.

All your factories have been properly maintained and the necessary repairs carried out with a minimum of delay.

Throughout the year considerable quantities of plastic flooring materials of various types, produced chiefly in the United States, have made their appearance on the Canadian market. Some qualities are more or less competitive in the linoleum field and your company is at present making two grades of plastic flooring, under the trade names of "Marbolite" and "Rexolite", that promise to develop into profitable lines. The Table Oilcloth Department has also been making a plastic curtain material, called "Domolite" for the past few years.

At the coming Special General Meeting of Shareholders, following the Annual General Meeting, you will be asked to approve an alteration in the capital structure of the company, whereby it is proposed that the present 80,000 Deferred Shares be converted into 60,000 Common Shares and the authorized capitalization of the company increased to 1,000,000 N.P.V. Common Shares. This proposal is fully explained in the accompanying letter.

Labour negotiations have been in progress during the latter part of the year, with a view to signing a new agreement, but a settlement has not yet been reached.

It is with great regret that we report the death of Sir Michael Nairn, Bart., which occurred on September 24th, 1952. Sir Michael was a valued member of the Board of Directors for over thirty years and resigned only last year because of ill health.

The Directors take this opportunity of expressing their sincere appreciation for the loyal services given by all employees during the past year.

Respectfully submitted on behalf of the Board,

ARCH. F. BAILLIE,
President.

MONTREAL, QUE., 18th December, 1952.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Income and Expenditure Account

YEAR ENDED 31ST OCTOBER 1952

Operating Profit before Provision for Depreciation, etc. -		\$2,032,690.08
Income from Investments in Subsidiary and Affiliated Companies and other Investments - - - -		819,175.92
		2,851,866.00
<i>Deduct:</i>		
Provision for Depreciation - - - - -	\$ 283,378.22	
Federal Income Tax and Provincial Profits Taxes -	886,695.59	
Foreign Income Taxes - - - - -	8,304.41	
Legal Expenses - - - - -	1,863.65	
Salaries and Directors' Fees paid to Executive Officers - - - - -	180,375.81	
Fees Paid to Other Directors - - - - -	5,000.00	1,365,617.68
<i>Net Profit for the Year:</i> - - - - -		<u>\$1,486,248.32</u>

Note:—The total remuneration received by Directors from Subsidiary
Companies amounted to \$4,800,00.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Balance Sheet

AS AT 31ST OCTOBER 1952

ASSETS

Current:

Cash - - - - -	\$	462,933.09
Investment in Short Term Notes - - - - -		1,504,146.58
Accounts Receivable - - - - -		1,473,591.91
Inventories - - - - -		3,055,431.23
		\$ 6,496,102.81

Merchandise and Raw Materials. Physical Inventory taken and valued at the lower of Cost or Market Price.

Fixed:

Real Estate, Buildings and Plant Valued at Cost	7,743,541.72	
Less: Reserve for Depreciation - - - - -	4,691,563.15	3,051,978.57

Investments in Subsidiary Companies at Cost:

Preferred and Common Stocks - - - - -		3,213,970.05
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Investments in Affiliated Companies at Cost:

Common Stocks - - - - -		652,440.87
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Other Investments at Cost:

Bonds, Preferred and Common Stocks - - - - - (Approximate Market Value \$2,625,970.44)		1,981,596.90
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<i>Prepaid Expense:</i> - - - - -		21,699.88
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\$15,417,789.08

MONTREAL, P.Q., 15th December, 1952.

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

We beg to report that we have completed an audit of the books and accounts of the Dominion Oilcloth and Linoleum Company Limited, for the year ended 31st October, 1952. We certify that we have received all the information and explanations required by us; and, in our opinion, this Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st October, 1952, 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 114 of The Companies Act 1934, 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.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

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Capital Surplus Account

YEAR ENDED 31st OCTOBER 1952

Balance forward at 1st November 1951 - - - -	\$1,020,274.72	
<i>Add:</i> Profit on Sale of Fixed Assets - - - -	1,040.00	\$1,021,314.72 ✓
<i>Deduct:</i> Realized Depreciation of Securities - - -		1,322.27
<i>Balance at Credit, 31st October 1952:</i> - - - - - - - -		\$1,019,992.45

Earned Surplus Account

Balance forward at 1st November 1951 - - - - - - - -	\$5,725,144.82	
<i>Deduct:</i> Extra Dividend paid 31st January 1952 out of earnings for the year ended 31st October 1951		
No Par Value Common Stock - - -	\$350,000.00	
✓ No Par Value Deferred Stock - - -	40,000.00	390,000.00
<i>Add:</i> Net Profit for the Year - - - - - - -		5,335,144.82
		1,486,248.32
		6,821,393.14
<i>Deduct:</i> Dividends Paid on No Par Value		
Common Stock - - - - - - -	1,120,000.00	
Provision for Dividend on No Par Value		
Deferred Stock - - - - - - -	128,000.00	1,248,000.00
<i>Balance at Credit, 31st October 1952:</i> - - - - - - - -		\$5,573,393.14

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

DIRECTORS

ARCHIE F. BAILLIE	K. B. ROBERTON
C. E. GRAVEL	AIR VICE-MARSHAL F. S. MCGILL, C.B.
SIR ROBERT SPENCER-NAIRN, BART.	G. BLAIR GORDON
E. S. TRUDEAU	SIR GEORGE NAIRN, BART.
WALTER MOLSON	J. G. ROBERTON

EXECUTIVE OFFICERS

ARCHIE F. BAILLIE - - - - -	<i>President</i>
K. B. 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>Secretary and Director of Sales</i>
J. G. ROBERTON - - - - -	<i>Manager</i>
A. DE TILLY - - - - -	<i>Treasurer</i>

TRANSFER AGENTS

THE ROYAL TRUST COMPANY	MONTREAL AND TORONTO
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REGISTRAR OF TRANSFERS

BANK OF MONTREAL	MONTREAL AND TORONTO
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DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

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

MARBOLEUM	DOMINION WATERPROOF CEMENT
DOMINION INLAID LINOLEUM	DOMINION TABLE OILCLOTH
DOMINION JASPÉ AND GRANITE LINOLEUM	DOMINION BROCADE TABLE COVERS
DOMINION BATTLESHIP AND PLAIN LINOLEUM	DOMINION ART BAIZE <i>(Plain and Embossed)</i>
LINOLEUM TILES <i>(Marbolem, Jaspé and Plain)</i>	DOMINION SHELF OILCLOTH
CORK CARPET	DOMINION ENAMELLED OILCLOTH
MARBOLITE <i>(Vinyl Plastic)</i>	DOMOLEATHER
REXOLITE <i>(Printed Vinyl Plastic)</i>	DOMOLITE <i>(For Tables, Curtains, Novelties, etc.)</i>
REXOLEUM AND REXOLEUM PASSAGE	KRAFTOL <i>(Coated Paper, Plain and Embossed)</i>
REXOLEUM RUGS	LEATHERKRAFT
REXOLEUM MATS	MUROLEUM WALL COVERING
DOMINION LINOGRIIP CEMENT	SANITILE WALL COVERING
	DOMINION LIQUID WAX

