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DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

MONTREAL

ESTABLISHED

1872



ANNUAL REPORT

FOR THE YEAR ENDED

31st OCTOBER 1951

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DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Established 1872



SEVENTY-NINTH
ANNUAL REPORT

FOR THE YEAR ENDED
31st OCTOBER 1951

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.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Seventy-Ninth Annual Report of the Board of Directors

Your Directors are pleased to present their report for the year ended 31st October, 1951, together with financial statements as certified by your Auditors, Messrs. Hyde & Houghton, C.A., whose report is also submitted.

The net profit for the year amounted to \$1,742,865.54 compared with \$1,971,369.43 a year ago, or \$2.23 against \$2.52 per share on the common and deferred stock.

The full dividend of \$1.60 was paid on the common stock and an equivalent amount has been declared on the deferred shares, together with an extra dividend of fifty cents per share, payable on 31st January, 1952, on both classes of stock, out of the year's earnings. The payment of these extra dividends will only be reflected in the earned surplus account as of 31st October, 1952.

It will be seen that the earned surplus account has been increased by \$135,612.80 and the capital surplus by \$138,716.82.

Capital expenditures during the year amounted to \$747,000.00. This included a sum of \$550,000.00 expended on the new warehouse, leaving an estimated \$175,000.00 to complete this addition, which should be finished by the end of February.

Your subsidiary companies also spent \$400,000.00 during the year on additional plants, and have plans for an expenditure of \$117,000.00 for the coming year.

Your company and its subsidiaries operated at a high rate throughout the year, although a falling-off in sales occurred towards the close of the year. Nevertheless, consolidated sales showed a moderate increase over 1950.

All plants have been well maintained and many improvements both in equipment and machinery have been made, which should be reflected in future operations.

Prices were increased approximately 11% during the year, being only 37% higher now than those prevailing in 1939, against an average commodity increase of 140%.

After six months of negotiation, a labour contract was signed with the National Syndicate, which resulted in a substantial increase in rates, and your companies are now paying wages over three times those of our United Kingdom competitors.

Competition from both the United Kingdom and the United States continues very keen. Lower wages, ocean freight and the devalued pound sterling all help the United Kingdom manufacturer. Certain American manufacturers are also particularly active in Canada at the present time. When business shows signs of slowing up in the United States, it is their general practice to dump surplus stocks on the Canadian market at prices which are difficult to justify having any relation to cost.

Unfortunately, our export trade has been at a very low level, but we are looking forward to a slight improvement in the coming year.

It is with regret that we have to announce the death of Colonel J. T. Ostell on October 17th, 1951. Colonel Ostell had been a director since December 1926, and will be greatly missed by your Board. Mr. J. Gordon Robertson has been appointed by your Board to fill this vacancy for the balance of the year.

The Board of Directors should like to record their appreciation of the loyal and efficient service rendered by the Company's officers and employees.

Respectfully submitted on behalf of the Board,

ARCH. F. BAILLIE,
President and Managing Director.

MONTREAL, QUE., 10th January, 1952.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Income and Expenditure Account

YEAR ENDED 31st OCTOBER 1951

Operating Profit before Provision for Depreciation, etc. -		\$2,125,774.97
Income from Investments in Subsidiary and Affiliated Companies and other Investments - - - -		969,934.65
		3,095,709.62
<i>Deduct:</i>		
Provision for Depreciation - - - - - \$	272,996.13	
Dominion Income Tax and Provincial Profits Taxes -	910,912.31	
Foreign Income Taxes - - - - -	6,807.37	
Legal Expenses - - - - -	3,053.76	
Salaries and Directors' Fees paid to Executive Officers - - - - -	153,074.51	
Fees Paid to Other Directors - - - - -	6,000.00	1,352,844.08
<i>Net Profit for the Year:</i> - - - - -		\$1,742,865.54

Note:—The total remuneration received by Directors from Subsidiary
Companies amounted to \$3,700.00.

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Balance Sheet

AS AT 31st OCTOBER 1951

ASSETS		
<i>Current:</i>		
Cash - - - - -	\$ 809,175.29	
Accounts Receivable - - - - -	1,447,493.39	
Inventories - - - - -	3,643,610.30	\$ 5,900,278.98
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	7,276,995.64	
Less: Reserve for Depreciation - - - - -	4,411,970.90	2,865,024.74
<i>Investments in Subsidiary Companies at Cost:</i>		
Preferred and Common Stocks - - - - -		3,213,970.05
<i>Investments in Affiliated Companies at Cost:</i>		
Common Stocks - - - - -		653,813.87
<i>Other Investments at Cost:</i>		
Bonds, Preferred and Common Stocks - - - - - (Approximate Market Value \$3,713,533.00)		2,835,654.53
<i>Prepaid Expense:</i> - - - - -		37,730.31
		\$15,506,472.48

MONTREAL, P.Q., 27th December, 1951.

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, 1951. 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, 1951, 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 Dominion 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

Balance Sheet

AS AT 31st OCTOBER 1951

LIABILITIES

Current:

Accounts Payable - - - - -	\$	669,152.74
Provision for Federal and Provincial Taxes - - - - -		\$1,041,012.33
Deduct: Amount paid on Account - 477,112.13		563,900.20
Provision for Dividend on No Par Value Deferred Stock - - - - -		128,000.00
		\$ 1,361,052.94

Insurance Fund Reserve: - - - - - 1,000,000.00

Capital:

Represented by:

700,000 Shares No Par Value Common Stock and 80,000 Shares No Par Value Deferred Stock		6,400,000.00
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Surplus Accounts:

Capital Surplus - - - - -		1,020,274.72
Earned Surplus - - - - -		5,725,144.82
		6,745,419.54

\$15,506,472.48

Contingent Liabilities: Nil.

Approved on behalf of the Board of Directors.

ARCH. F. BAILLIE, *Director.*

E. S. TRUDEAU, *Director.*

DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

Capital Surplus Account

YEAR ENDED 31st OCTOBER 1951

Balance forward at 1st November 1950 - - - - -	\$	881,557.90
<i>Add:</i> Realized Appreciation of Securities - - - - -		138,356.82
Profit on Sale of Fixed Assets - - - - -		360.00
<i>Balance at Credit, 31st October 1951:</i> - - - - -		\$1,020,274.72

Earned Surplus Account

Balance forward at 1st November 1950 - - - - -	\$	5,589,532.02
<i>Deduct:</i> Extra Dividend paid 31st January 1951 out of earnings for the year ended 31st October 1950		
No Par Value Common Stock - - -	\$350,000.00	
No Par Value Deferred Stock - - -	40,000.00	390,000.00
		5,199,532.02
<i>Add:</i> Net Profit for the Year - - - - -		1,742,865.54
Refundable Portion of Excess Profits Tax Received		30,747.26
		6,973,144.82
<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 1951:</i> - - - - -		\$5,725,144.82

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	MICHAEL GEORGE NAIRN
WALTER MOLSON	J. G. ROBERTON

EXECUTIVE OFFICERS

ARCHIE F. BAILLIE - - - - -	<i>President and Managing Director</i>
K. B. ROBERTON - - - - -	<i>Vice-President and Manager</i>
AIR VICE-MARSHAL F. S. MCGILL, C.B. - - - - -	<i>Secretary and Director of Sales</i>
E. S. TRUDEAU - - - - -	<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 BROCADE TABLE COVERS

DOMINION INLAID LINOLEUM

DOMINION ART BAIZE
(Plain and Embossed)

DOMINION JASPÉ AND GRANITE LINOLEUM

DOMINION SHELF OILCLOTH

DOMINION BATTLESHIP AND PLAIN LINOLEUM

DOMINION ENAMELLED OILCLOTH

LINOLEUM TILES
(Marboleum, Jaspé and Plain)

DOMOLEATHER

CORK CARPET

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

REXOLEUM AND REXOLEUM PASSAGE

KRAFTOL
(Coated Paper)

REXOLEUM RUGS

REXOLEUM MATS

LEATHERKRAFT

DOMINION LINOGRIIP CEMENT

MUROLEUM WALL COVERING

DOMINION WATERPROOF CEMENT

SANITILE WALL COVERING

DOMINION TABLE OILCLOTH

DOMINION LIQUID WAX

