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DOMINION  
OILCLOTH & LINOLEUM  
COMPANY LIMITED

MONTREAL

ESTABLISHED  
1872



ANNUAL REPORT

FOR THE YEAR ENDED  
31st OCTOBER 1949

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# DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

*Established 1872*



## ANNUAL REPORT

FOR THE YEAR ENDED

31ST OCTOBER 1949

*Head Office & Factories:*

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

*Sales Offices:*

ROOM 604, CENTRAL BUILDING,  
45 RICHMOND STREET WEST,  
TORONTO, ONT.

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

# DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

## *Annual Report of the Board of Directors*

The Board of Directors have pleasure in presenting the Annual Report of the Company with the Financial Statements for the fiscal year ended 31st October 1949. The certified report of the auditors, Messrs. Hyde & Houghton, C.A., is also submitted.

Sales showed a substantial improvement over a year ago, due to continued demand for our products and to the increased output made possible by the installation of new, high-speed equipment and increased curing capacity. Raw materials were more plentiful, which also helped to increase production, notably in the case of Marboleum and Moulded Inlaid Linoleum, the latter a line which had not been manufactured since pre-war days.

The increase in volume of business done was reflected in the net profit which, after providing for depreciation, taxes and all charges, amounted to \$2.28 per share, compared with \$2.17 per share a year ago on all the outstanding shares of the company. The increase in depreciation this year over last is due to capital expenditures and to the recent changes in the Income Tax Act. Quarterly dividends of forty cents per share were paid throughout the year on the N. P. V. Common Stock of the Company. In addition, a dividend of \$1.60 per share on the N. P. V. Deferred Stock, together with an extra dividend of forty cents per share on both classes of stock, has been declared, payable 31st January 1950, out of the year's earnings and in accordance with By-Law No. 11.

Capital expenditures during the year amounted to \$583,767.57 and included the installation of considerable machinery and equipment as well as the completion of two large buildings, one an extension to the Linoleum Division and the other to the Table Oilcloth Division. Also included in the above amount was \$71,700 expended for land and buildings situated between Fullum and Dufresne Streets to the East of our present factory and comprising chiefly moderately-priced dwellings. This expenditure was deemed advisable due to the proposed civic expropriations. Further capital expenditures of considerable proportion will have to be made during 1950.

Prices remained stable during the fiscal year, but with the devaluation of the pound and the removal of the dumping duties, certain reductions and adjustments have had to be made since the close of the fiscal year. Transportation charges have also had a considerable bearing on this price situation, particularly on the East and West coasts where British goods can be landed at low ocean freight rates.

All overseas markets have been either closed to us or greatly restricted, but some of our agents are still active and we have obtained a very limited amount of business from certain countries.

New styles and designs were introduced recently in floor and table coverings, imitation leathers and plastic drapery material. This action should stimulate the demand for the company's products.

The increased output and successful results for the year reflect great credit on all employees and the Directors wish to offer their sincere thanks and appreciation.

ARCH. F. BAILLIE,  
*President and Managing Director.*

MONTREAL, P.Q., 12th January 1950.

# DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

## *Income and Expenditure Account*

YEAR ENDED 31st OCTOBER 1949

Operating Profit before Provision for Depreciation, etc. -		\$2,102,318.43
Income from Investments in Subsidiary and Affiliated Companies and other Investments - - - -		782,351.11
		2,884,669.54
<i>Deduct:</i>		
Provision for Depreciation - - - - -	\$ 258,574.86	
Dominion Income Tax and Provincial Profits Taxes -	686,251.98	
Foreign Income Taxes - - - - -	7,760.86	
Legal Expenses - - - - -	4,027.40	
Salaries and Directors' Fees paid to Executive Officers - - - - -	139,803.25	
Fees Paid to Other Directors - - - - -	6,000.00	1,102,418.35
		\$1,782,251.19
<i>Net Profit for the Year:</i> - - - - -		

*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 1949

### ASSETS

<i>Current:</i>			
Cash	- - - - -	\$ 394,239.07	
Accounts Receivable	- - - - -	1,307,312.73	
Inventories	- - - - -	2,754,315.43	\$ 4,455,867.23
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		6,249,716.62	
Less: Reserve for Depreciation	- - - - -	3,893,596.47	2,356,120.15
<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	- - - - -		647,308.87
<i>Other Investments at Cost:</i>			
Bonds, Preferred and Common Stocks	- - -		3,884,189.23
(Approximate Market Value \$4,300,254.50)			
<i>Refundable Portion of Excess Profits Tax:</i>	- - - - -		100,031.31
<i>Prepaid Expense:</i>	- - - - -		30,496.31
			\$14,687,983.15

MONTREAL, P.Q., 21st December 1949.

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 1949. 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 1949, 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 & HOUGHTON,  
*Chartered Accountants, Auditors.*

# DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

## *Balance Sheet*

AS AT 31st OCTOBER 1949

### LIABILITIES

<i>Current:</i>			
Accounts Payable	-	-	\$ 688,928.29
Provision for Federal and Provincial Taxes	-	-	\$781,125.37
Deduct: Amount Paid on Account	-	322,500.00	458,625.37
Provision for Dividend on No Par Value Deferred Stock	-	-	128,000.00
			\$ 1,275,553.66
<i>Insurance Fund Reserve:</i>	-	-	1,000,000.00
<i>Capital:</i>			
Represented by:			
700,000 Shares No Par Value Common Stock and			
80,000 Shares No Par Value Deferred Stock			6,400,000.00
<i>Surplus Accounts:</i>			
Capital Surplus	-	-	803,086.68
Earned Surplus	-	-	5,109,311.50
			5,912,398.18
Excess Profits Tax Refundable	-	-	100,031.31
			6,012,429.49
			\$14,687,983.15

*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 1949

Balance forward at 1st November 1948 - - - - -	-	\$ 790,263.32
<i>Add:</i> Realized Appreciation of Securities - - - - -	-	8,175.21
Profit Realized on Disposal of Fixed Assets - - - - -	-	4,648.15
<i>Balance at Credit, 31st October 1949:</i> - - - - -	-	<u>\$ 803,086.68</u>

## *Earned Surplus Account*

Balance forward at 1st November 1948 - - - - -	-	\$4,730,593.69
<i>Deduct:</i> Extra Dividend paid 31st January 1949 out of earnings for the year ended 31st October 1948		
No Par Value Common Stock - - -	\$ 210,000.00	
No Par Value Deferred Stock - - -	24,000.00	234,000.00
	<u>                    </u>	<u>                    </u>
<i>Add:</i> Net Profit for the Year - - - - -		4,496,593.69
Refundable Portion of Excess Profits Tax Received		1,782,251.19
		78,466.62
		<u>                    </u>
<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
	<u>                    </u>	<u>                    </u>
<i>Balance at Credit, 31st October 1949:</i> - - - - -	-	<u>\$5,109,311.50</u>



# DOMINION OILCLOTH & LINOLEUM COMPANY LIMITED

## DIRECTORS

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

## 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

TILE

*(Marbleum and Linoleum)*

DOMOLEATHER

CORK CARPET

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

REXOLEUM AND REXOLEUM PASSAGE

KRAFTOL  
*(Coated Paper)*

REXOLEUM RUGS

LEATHERKRAFT

REXOLEUM MATS

DOMINION LINOGRIIP CEMENT

MUROLEUM WALL COVERING

DOMINION WATERPROOF CEMENT

SANTILE WALL COVERING

DOMINION TABLE OILCLOTH

DOMINION LIQUID WAX



