

C  
Stack

DOMINION  
OILCLOTH & LINOLEUM  
COMPANY, LIMITED

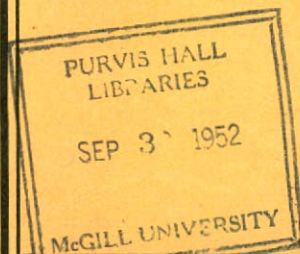
MONTREAL

ESTABLISHED  
1872



ANNUAL REPORT

FOR THE YEAR ENDED  
31st OCTOBER, 1948







DOMINION OILCLOTH & LINOLEUM  
COMPANY, LIMITED

*Established 1872*



ANNUAL REPORT

FOR THE YEAR ENDED

31st OCTOBER, 1948

*Head Office & Factories:*

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

*Toronto Sales Office:*

ROOM 704, CENTRAL BUILDING,  
45 RICHMOND STREET WEST,  
TORONTO, ONT.



# DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

## *Annual Report of the Board of Directors*

Your Directors have pleasure in presenting the Annual Report of the company, together with the Financial Statements for the fiscal year ended 31st October, 1948, certified by your auditors, Messrs. Hyde & Houghton, C.A., whose report is also submitted.

The fiscal year covered by this report was a most satisfactory one with respect to sales volume, both in actual yardage and dollar value, and it is anticipated that the demand will continue during 1949. Subsidiary and affiliated companies also enjoyed increased sales due to an improvement in the supply of raw materials and more efficient operation.

As a result, earnings were higher than in the previous year, permitting the payment of the full dividend of \$1.60 per share on both the N. P. V. common and deferred stock in accordance with By-Law No. 11. In addition, an extra dividend of Thirty Cents per share on both classes of stock was declared, payable 31st January, 1949, out of the year's earnings.

Substantial amounts were added to earned surplus as well as to reserve for insurance and depreciation. It must be remembered, however, that during inflationary times rising values of inventories create fictitious earnings and, unless high prices are maintained, inventory profits in one period may be offset by losses in the next. Provision for depreciation in these days is entirely inadequate for replacement of fixed assets, while profits cannot be considered real, so that their distribution beyond certain limits would constitute an impairment of capital.

Jute burlap, which, since the war, has been scarce, shows signs of being available in larger quantities, so that during the present year it may be possible to make several grades of inlaid linoleum which are in great demand, but which have not been manufactured in Canada since pre-war days. Our principal raw material—linseed oil—is now plentiful, but the Government's policy of maintaining a floor price of \$4.00 a bushel for flaxseed to the Canadian farmer, is holding linseed oil prices at an unnatural level, making our prices higher than they would be in a free market. It is hoped that the Government will soon remove all controls so that prices may find their normal level, based upon supply and demand.

In spite of these difficulties, prices have been kept within reasonable limits and, in fact, it has been possible to make certain reductions due to large runs and to a limitation in the number of styles manufactured. At the present time our Canadian prices compare favourably with those prevailing in both the United Kingdom and the United States.

The new linoleum plant is now complete and the machinery installed. Trial runs have been made and it is anticipated that full scale production will take place shortly. Other large extensions are under way, most of which should be completed in 1949. These will mean a considerable increase in the productive capacity of the floor-covering and table oilcloth departments.

Export trade has been substantial, but has fallen off greatly in recent months due to import restrictions caused by lack of Canadian dollars in other countries.

Industrial relations have continued mutually satisfactory and the fine spirit of co-operation that exists reflects great credit on both labour and management. The Directors wish to extend to all the employees sincere thanks and appreciation for their part in making the past year so successful.

MONTREAL, P.Q., 13th January, 1949.

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

# DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

## *Income and Expenditure Account*

YEAR ENDED 31st OCTOBER, 1948

Operating Profit before Provision for Depreciation, etc. -		\$2,004,651.15
Income from Investments in Subsidiary and Affiliated Companies and Other Investments - - - - -		763,960.26
		2,768,611.41
<i>Deduct:</i>		
Provision for Depreciation - - - - - \$	150,260.33	
Dominion Income and Excess Profits and Provincial Profits Taxes - - - - -	676,531.73	
Foreign Income Taxes - - - - -	9,138.37	
Legal Expenses - - - - -	3,719.76	
Salaries and Directors' Fees paid to Executive Officers -	139,030.31	
Fees paid to Other Directors - - - - -	6,000.00	
Transferred to Insurance Fund Reserve - - - - -	90,000.00	1,074,680.50
<i>Net Profit for the Year:</i> - - - - -		\$1,693,930.91

*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, 1948

### ASSETS

*Current:*

Cash - - - - -	\$	385,501.29	
Accounts Receivable - - - - -		752,374.27	
Inventories - - - - -		2,758,758.43	\$ 3,896,633.99

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	5,701,340.63		
Less: Reserve for Depreciation - - - - -	3,670,380.98		2,030,959.65

*Investments in Subsidiary Companies at Cost:*

Preferred and Common Stocks - - - - -			3,213,970.05
---------------------------------------	--	--	--------------

*Investments in Affiliated Companies at Cost:*

Common Stocks - - - - -			620,309.95
-------------------------	--	--	------------

*Other Investments at Cost:*

Bonds, Preferred and Common Stocks - - - - - (Approximate Market Value \$4,339,509.67)			3,936,683.48
---	--	--	--------------

Refundable Portion of Excess Profits Tax: - - - - -			178,497.93
---	--	--	------------

Prepaid Expense: - - - - -			26,622.29
----------------------------	--	--	-----------

\$13,903,677.34

MONTREAL, P.Q., 23rd December, 1948.

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, 1948. 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, 1948, 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 those Companies.

HYDE & HOUGHTON,  
*Chartered Accountants, Auditors.*

# DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

## *Balance Sheet*

AS AT 31st OCTOBER, 1948

### LIABILITIES

*Current:*

Accounts Payable - - - - -	\$	332,144.79
Provision for Federal and Provincial Taxes - - - - -		\$727,914.25
Deduct: Amount paid on Account -		383,736.64
		344,177.61
Provision for Dividend on No Par Value Deferred Stock - - - - -		128,000.00
	\$	804,322.40
<i>Insurance Fund Reserve:</i> - - - - -		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

*Surplus Accounts:*

Capital Surplus - - - - -		790,263.32
Earned Surplus - - - - -		4,730,593.69
		5,520,857.01
Excess Profits Tax Refundable - - - - -		178,497.93
		5,699,354.94
		\$13,903,677.34

*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, 1948

Balance forward at 1st November, 1947	-	-	-	-	-	-	-	\$ 776,298.63
<i>Add:</i> Realized Appreciation of Securities	-	-	-	-	-	-	-	13,470.78
Profit Realized on Disposal of Fixed Assets	-	-	-	-	-	-	-	493.91
<i>Balance at Credit, 31st October, 1948:</i>	-	-	-	-	-	-	-	<u>\$ 790,263.32</u>

## *Earned Surplus Account*

Balance forward at 1st November, 1947	-	-	-	-	-	-	-	\$4,314,212.25
<i>Deduct:</i> Extra Dividend paid 30th January, 1948, out of earnings for the year ended 31st October, 1947								
No Par Value Common Stock	-	-	-	-	-	-	-	\$ 70,000.00
No Par Value Deferred Stock	-	-	-	-	-	-	-	8,000.00
								<u>78,000.00</u>
								4,236,212.25
<i>Add:</i> Net Profit for the Year	-	-	-	-	-	-	-	1,693,930.91
Refundable Portion of Excess Profits Tax Received	-	-	-	-	-	-	-	48,450.53
								<u>5,978,593.69</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
								<u>1,248,000.00</u>
<i>Balance at Credit, 31st October, 1948:</i>	-	-	-	-	-	-	-	<u>\$4,730,593.69</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

## REGISTRAR OF TRANSFERS

BANK OF MONTREAL                              MONTREAL AND TORONTO

# DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

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

MARBOLEUM	DOMINION TABLE OILCLOTH
DOMINION INLAID LINOLEUM <i>(Marble Tile, Straight Line and Moulded)</i>	DOMINION BROCADE TABLE COVERS
DOMINION JASPÉ AND GRANITE LINOLEUM	DOMINION ART BAIZE <i>(Plain and Embossed)</i>
DOMINION BATTLESHIP AND PLAIN LINO- LEUM	DOMINION SHELF OILCLOTH
CORK CARPET	DOMINION ENAMELLED OILCLOTH
DOMINION PRINTED LINOLEUM	DOMOLEATHER
DOMINION PASSAGE LINOLEUM	DOMOLITE <i>(For Tables, Curtains, Novelties, etc.)</i>
DOMINION LINOLEUM RUGS <i>(Jaspé and Printed)</i>	KRAFTOL <i>(Coated Paper)</i>
REXOLEUM AND REXOLEUM PASSAGE	LEATHERKRAFT
REXOLEUM RUGS	MUROLEUM WALL COVERING
REXOLEUM MATS	SANITILE WALL COVERING
DOMINION LINOGRIIP CEMENT	DECORATIVE WALL BURLAPS
DOMINION WATERPROOF CEMENT	DOMINION LIQUID WAX







