

DOMINION
OILCLOTH & LINOLEUM
COMPANY, LIMITED

MONTREAL

ESTABLISHED
1872



ANNUAL REPORT

FOR THE YEAR ENDED
31st OCTOBER, 1939

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DOMINION OILCLOTH & LINOLEUM
COMPANY, LIMITED

Established 1872



ANNUAL REPORT

FOR THE YEAR ENDED

31st OCTOBER, 1939

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Head Office & Factories:

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

1

Toronto Sales Office:

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

DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

Twentieth Annual Report of the Board of Directors

For presentation to the Shareholders at the Annual General Meeting to be held at the Head Office of the Company, No. 2200 St. Catherine St. East, Montreal on Thursday, January 18th, 1940, at eleven o'clock in the forenoon.

Your Directors have much pleasure in submitting herewith the Twentieth Annual Report of the Company for the fiscal year ended October 31st, 1939, together with the Balance Sheet, the Income and Expenditure Account and the Surplus Accounts duly certified by your Auditor, William J. Hyde, C.A., as shown by his report.

After providing for all expenses, depreciation and taxes, the profits amounted to \$1,224,876.57 against \$987,482.53 last year.

Dividends of thirty cents (30c.) per share were paid quarterly throughout the year on the Common Shares of the Company and extra dividends of ten cents (10c.) per share were paid on April 28th, July 31st, 1939, and an extra dividend of twenty cents (20c.) per share on October 31st, 1939.

As the net profit for the year exceeded \$1.60 per share on the N.P.V. Common Stock, surplus earnings amounting to approximately one dollar and twenty-four cents (\$1.24) per deferred share are to be paid on the Deferred Stock.

All inventories have been taken with care and have been priced on the basis of cost or market, whichever proved to be the lower.

Buildings and machinery have been maintained in a high state of efficiency and all maintenance costs have been charged to operating. During the year your Directors authorized the installation of new modern boiler equipment at an approximate cost of \$100,000.00. This plant is practically completed and when in operation should effect a considerable saving in fuel costs.

The regrettable outbreak of war on September 3rd, 1939, caused a shortage of Jute, which is so essential to the manufacture of Linoleum and Floor Oilcloth, and it is quite possible that difficulty in securing supplies may eventually mean some curtailment of production.

Tribute is again due to the Staff for the loyal and efficient way they have carried out their duties during the period under review.

Eleven Directors and an Auditor are to be elected at this Meeting.

The whole respectfully submitted on behalf of the Board.

JOHN J. MCGILL,
President.

DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

Income and Expenditure Account

YEAR ENDED OCTOBER 31ST, 1939

Operating Profit before provision for Depreciation, etc. - - - - -		\$1,027,609.71
Income from Investments - - - - -		601,146.18
		1,628,755.89
<i>Deduct:</i>		
Provision for Depreciation - - - - -	\$96,446.15	
Dominion and Provincial Income and Profits Taxes - - - - -	172,082.87	
Foreign Income Taxes - - - - -	5,545.64	
Legal Expenses - - - - -	404.66	
Salaries and Directors' Fees paid to Executive Officers of the Company and other Salaried Directors - - - - -	117,400.00	
Fees paid to other Directors of the Company -	12,000.00	403,879.32
<i>Net Profit for the year:</i> - - - - -		\$1,224,876.57

Note:—The total remuneration received by Directors from Subsidiary
Companies amounted to \$4,900.00

DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

Balance Sheet

AS AT OCTOBER 31st, 1939

ASSETS		
<i>Current:</i>		
Cash - - - - -	\$	290,224.51
Demand Loan - - - - -		100,000.00
Bills and Accounts Receivable - - - - -		758,761.67
 <i>Inventories:</i>		
Merchandise and Raw Materials - - -	1,022,131.93	\$2,171,118.11
(Physical Inventory taken and valued at the lower of cost or market price.)		
 <i>Fixed:</i>		
Real Estate, Buildings and Plant valued at Cost	4,071,124.94	
<i>Less:</i> Reserve for Depreciation - - - - -	2,462,202.30	1,608,922.64
 <i>Investments in Subsidiary Companies at Cost:</i>		
Preferred and Common Stocks - - - - -	3,213,970.05	
Advances - - - - -	163,117.00	3,377,087.05
 <i>Investments in Affiliated Companies at Cost:</i>		
Common Stocks - - - - -		429,213.25
 <i>Other Investments at Cost:</i>		
Bonds, Preferred and Common Stocks - - -		4,857,159.63
(Approximate Market Value \$5,048,958.94)		
 <i>Prepaid Expense:</i>		5,513.42
		\$12,449,014.10

December 12th, 1939.

Certified as per Report.

W. J. HYDE,
C.A., Auditor.

DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

Balance Sheet

AS AT OCTOBER 31st, 1939

LIABILITIES		
<i>Current:</i>		
Accounts Payable - - - - -	\$ 213,232.15	
Provision for Federal and Provincial Taxes -	210,557.61	
Provision for Dividend on No Par Value		
Deferred Stock - - - - -	99,491.37	\$ 523,281.13
<i>Insurance Fund Reserve:</i>		910,000.00
<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 - - - - -	516,331.46	
Earned Surplus - - - - -	4,099,401.51	4,615,732.97
<i>Contingent Liabilities—Nil.</i>		\$12,449,014.10

Approved on behalf of the Board of Directors.

JOHN J. MCGILL, *Director.*
ARCH. F. BAILLIE, *Director.*

DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

Capital Surplus Account

YEAR ENDED OCTOBER 31ST, 1939

Balance forward at November 1st, 1938	-	-	-	-	-	-	-	\$ 511,626.41
<i>Add:</i>								
Realized Appreciation of Securities	-	-	-	-	-	-	-	4,705.05
								<u>4,705.05</u>
<i>Balance at October 31st, 1939</i>	-	-	-	-	-	-	-	\$516,331.46

EARNED SURPLUS ACCOUNT

Balance forward at November 1st, 1938	-	-	-	-	-	-	-	\$4,094,016.31
<i>Add:</i>								
Net Profit for the Year	-	-	-	-	-	-	-	1,224,876.57
								<u>1,224,876.57</u>
								5,318,892.88
<i>Deduct:</i>								
Dividends Paid on No Par Value Common Stock	-	\$1,120,000.00						
Provision for Dividend on No Par Value Deferred Stock	-	-	-	-	-	-	-	
						99,491.37		<u>1,219,491.37</u>
<i>Balance at Credit October 31st, 1939</i>	-	-	-	-	-	-	-	<u><u>\$4,099,401.51</u></u>

Telephone Plateau 9741

*Western Union Telegraphic Code
Cable Address "Jonyde"*

William J. Hyde

Chartered Accountant, Trustee and Commissioner

470 St. Alexis Street

Montreal

December 12th, 1939.

To the Shareholders,

DOMINION OILCLOTH AND LINOLEUM COMPANY, LIMITED,
MONTREAL.

I beg to report that I have completed an audit of the books and accounts of your Company for the year ended October 31st, 1939. I certify that I have received all the information and explanations required by me; and, in my opinion, the accompanying 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 October 31st, 1939, according to the best of my information and the explanations given to me and as shown by the books of the Company.

As required under Section 114 of the Companies Act, 1934, I report that profits of Subsidiary Companies have been included in the Income and Expenditure Account to the extent to which dividends have been declared by those Companies.

W. J. HYDE,
C.A., Auditor.

DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

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

MARBOLEUM	FELTOL MATS
DOMINION EMBOSSED INLAID LINOLEUM	REXOLEUM MATS
DOMINION INLAID LINOLEUM (MARBLE TILE, STRAIGHT LINE AND MOULDED)	DOMINION TABLE OILCLOTH
DOMINION JASPÉ AND GRANITE LINOLEUM	DOMINION BROCADE TABLE COVERS
DOMINION BATTLESHIP AND PLAIN LINO- LEUM	DOMINION TABLE OILCLOTH SCARVES
CORK CARPET	DOMINION ART BAIZE (PLAIN AND EMBOSSED)
DOMINION PRINTED LINOLEUM	DOILY SETS
DOMINION PASSAGE LINOLEUM	DOMINION SHELF OILCLOTH
DOMINION FLOOR AND STAIR OILCLOTH	DOMINION ENAMELLED OILCLOTH
FELTOL AND FELTOL PASSAGE	DOMOLEATHER
REXOLEUM	KRAFTOL
REXFELT	LEATHERKRAFT
DOMINION LINOLEUM RUGS (INLAID, JASPÉ AND PRINTED)	MUROLEUM WALL COVERING
FELTOL RUGS	SANITILE WALL COVERING
DOMINION CORK BATH MATS	DECORATIVE WALL BURLAPS
	DOMINION LIQUID WAX
	DOMINION LINOGRIIP CEMENT

*It will help sales considerably if all shareholders would insist on
Products manufactured by your Company and accept
no competitive lines*



