

DOMINION  
OILCLOTH & LINOLEUM  
COMPANY, LIMITED

MONTREAL

ESTABLISHED

1872



ANNUAL REPORT

FOR THE YEAR ENDED

31st OCTOBER, 1938

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# DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

*Established 1872*



## ANNUAL REPORT

FOR THE YEAR ENDED  
31st OCTOBER, 1938

*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

## *Nineteenth 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 Street, East, Montreal, on Thursday, January 19th, 1939, at eleven o'clock in the forenoon.*

Your Directors have much pleasure in presenting herewith their report on the operations of the Company for the fiscal year ended October 31st, 1938 together with the Balance Sheet, the Income and Expenditure Account and the Surplus Accounts duly certified by your Auditor, William J. Hyde, whose report is also presented herewith.

Earnings have been satisfactorily maintained and income from investments held up remarkably well resulting in a net profit for the year of \$987,482.53, equivalent to \$1.41 per share on the common stock after providing for Government Taxes, depreciation and other contingencies.

During the year Quarterly Dividends were paid on the Common Stock of the Company at an annual rate of One Dollar and Twenty Cents (\$1.20) per share and an extra dividend of Thirty Cents (30c) per share was paid on October 31st, 1938, part of which was drawn from Surplus.

Care has been exercised in taking all inventories of raw materials and manufactured goods and they have been priced on the basis of cost or market, whichever was lower.

The Company's plants and equipment have been adequately maintained and all maintenance costs have been charged to operating. Capital expenditure during the period amounted to about \$103,000.00 of which \$43,000.00 went towards the completion of Building No. 6, mention of which was made in last year's report, the balance, about \$60,000.00, was made up of numerous small items.

One of the Companies' subsidiaries, Cornwall Oilcloths Limited, which has been inactive for some years past, surrendered its charter during the year and the buildings and property were disposed of, thereby effecting a saving of carrying charges.

It is with sincere regret that we report the great loss to this Company in the death of Lt.-Col. Herbert Molson, C.M.G., M.C., on Monday, March 21st, 1938. He served as a director of your Company from September 4th, 1919, until the time of his death and the loss of his executive ability, wide experience and sound counsel will be keenly felt. The vacancy thus created on the board was filled by the appointment of Mr. Walter Molson.

The members of the Staff of the Company have discharged their duties throughout the year loyally and efficiently and to them the Management and the Directors extend cordial thanks.

Eleven Directors and an Auditor are to be elected at this meeting and you will be asked to confirm By-law No. 12 as contained in the Notice of 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 31st OCTOBER, 1938

Operating Profit before provision for Depreciation, etc. - - - - -		\$ 797,155.81
Income from Investments: - - - - -		544,134.19
		1,341,290.00
<i>Deduct:</i>		
Provision for Depreciation - - - - -	\$ 94,156.37	
Dominion and Provincial Income and Profits Taxes - - - - -	133,684.09	
Foreign Income Taxes - - - - -	4,315.91	
Legal Expenses - - - - -	451.10	
Salaries and Directors' Fees paid to Executive Officers of the Company and other Salaried Directors - - - - -	109,200.00	
Fees paid to other Directors of the Company -	12,000.00	353,807.47
<i>Net profit for the year:</i> - - - - -		\$ 987,482.53

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

# DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

## *Balance Sheet*

AS AT 31<sup>ST</sup> OCTOBER, 1938

	ASSETS	
<i>Current:</i>		
Cash - - - - -	\$ 339,663.28	
Bills and Accounts Receivable - - - -	429,716.02	
 <i>Inventories:</i>		
Merchandise and Raw Materials - - -	1,384,145.77	\$2,153,525.07
(Physical Inventory taken and valued at the lower of cost or market price.)		
 <i>Fixed:</i>		
Real Estate, Buildings and Plant valued at Cost	4,000,375.62	
Less: Reserve for Depreciation - - - -	2,365,756.15	1,634,619.47
 <i>Investments in Subsidiary Companies at Cost:</i>		
Preferred and Common Stocks - - - -	3,213,970.05	
Advances - - - - -	102,117.63	3,316,087.68
 <i>Investments in Affiliated Companies at Cost:</i>		
Common Stocks - - - - -		429,213.25
 <i>Other Investments at Cost:</i>		
Bonds, Preferred and Common Stocks - -		4,723,985.68
(Approximate Market Value \$4,927,182.28)		
 <i>Prepaid Expense:</i>		
		1,291.21
		\$12,258,722.36

6th December, 1938.

Certified as per Report.

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

# DOMINION OILCLOTH & LINOLEUM COMPANY, LIMITED

## *Balance Sheet*

AS AT 31st OCTOBER, 1938

### LIABILITIES

*Current:*

Accounts Payable - - - - -	\$ 184,807.54	
Provision for Federal and Provincial Taxes -	158,272.10	\$ 343,079.64

*Insurance Fund Reserve:* 910,000.00

*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 - - - - -	511,626.41	
Earned Surplus - - - - -	4,094,016.31	4,605,642.72

\$12,258,722.36

*Contingent Liabilities:*—Nil.

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 31st OCTOBER, 1938

Balance forward at 1st November, 1937	-	-	-	-	-	-	-	-	-	\$ 519,255.09
<i>Add:</i>										
Realized Appreciation of Securities	-	-	-	-	-	-	-	-	-	42,371.32
										561,626.41
<i>Deduct:</i>										
Investment in non-operating Subsidiary Company written off	-									50,000.00
										50,000.00
<i>Balance at 31st October, 1938</i>	-	-	-	-	-	-	-	-	-	\$ 511,626.41

## EARNED SURPLUS ACCOUNT

Balance forward at 1st November, 1937	-	-	-	-	-	-	-	-	-	\$4,156,533.78
<i>Add:</i>										
Net Profit for the Year	-	-	-	-	-	-	-	-	-	987,482.53
										5,144,016.31
<i>Deduct:</i>										
Dividends Paid on No Par Value Common Stock	-	-	-	-	-	-	-	-	-	1,050,000.00
										1,050,000.00
<i>Balance at 31st October, 1938</i>	-	-	-	-	-	-	-	-	-	\$4,094,016.31



*Telephone Plateau 9741*

*Western Union Telegraphic Code  
Cable Address "Jonyde"*

*William J. Hyde*

*Chartered Accountant, Trustee and Commissioner*

*170 St. Alexis Street*

*Montreal*

*6th December, 1938.*

*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 31st October, 1938. 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 31st October, 1938, 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 these Companies. The loss sustained by a Subsidiary Company has been taken into account by the Directors in arriving at the profit for the year and has been provided for out of the current year's income.

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

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





