

**Standard Chemical
Company
Limited**



**TWENTIETH
ANNUAL
REPORT**



**31st March
1931**

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McGILL UNIVERSITY

STANDARD CHEMICAL COMPANY Limited

ANNUAL STATEMENT
For Twelve Months Ending 31st March, 1931

DIRECTORS

M. L. DAVIES	-	-	-	-	<i>President</i>
L. M. WOOD	-	-	-	-	<i>Vice-President</i>
ROBERT FLEMING					
W. J. SHEPPARD					
J. B. TUDHOPE					
E. JAMES BENNETT					
J. L. HOULT					

Secretary-Treasurer, R. M. SEDGEWICK

Head Office:
200 Bay Street, Toronto, Ont.

Standard Chemical Company

Limited

To the Shareholders:—

Your Directors present herewith the Twentieth Annual Report and Balance Sheet for the fiscal year ending March 31st, 1931, together with Certificate of the Company's Auditors, Messrs. Price, Waterhouse and Company.

The Gross Profits totalled \$56,819.05, and after providing \$1,710.58 for Interest on Bonds and Debentures, \$35,000 for Depreciation and \$1,500.00 Reserve for Income Tax, there remained a net Profit of \$18,608.47, a decrease of \$117,191.46 as compared with the previous year.

The Sales amounted to \$1,387,067 against \$1,875,262 for the last period, while the cords carbonized were 31,845 as compared with 46,940 during the previous twelve months.

The general depression of the past year was felt by your Company in both home and export markets. In addition to the shrinkage in industrial business, unemployment materially affected the Sales of your Company's products entering into household use.

As foreshadowed in the last Annual Report, the Funded Debt, amounting to \$191,923.18, as per last Balance Sheet, was retired during the year by the redemption of the outstanding Debentures of your Company, namely, \$178,923.18, and by the redemption of the outstanding Bonds of your subsidiary, the Laurentian Chemical Co. namely, \$13,000. Your Company is consequently now free from Funded Indebtedness.

Your Company is now in a position to carry one-third of the fire risk on its plant and equipment and accordingly a Fire Insurance Fund has been created by investing one-third of the Annual Premiums in Government Bonds.

Your Plants have been well maintained, cost of which was, as usual, charged to Operations. There have also been some further improvements in manufacturing facilities.

Having regard to the strong liquid position of your Company, the ratio of Current Assets to Current Liabilities being 12.4 to 1, your Directors decided to distribute \$18,669 of the accumulated undivided profits and have declared a Dividend of \$1.00 per share for the year ended March 31, 1931, payable on the 26th of June to Shareholders of record on the 26th May, 1931.

Your Directors again wish to record their appreciation of the loyal and efficient services of the Staff and all the employees of the Company.

On Behalf of the Board.

Toronto, May 21st, 1931.

M. L. DAVIES, President.

Standard Chemical Company Limited

And Subsidiary Companies

CONSOLIDATED BALANCE SHEET MARCH 31st, 1931

ASSETS	
FIXED ASSETS:	
Land, Timber Limits, Plant and Equipment:	
As at April 1, 1930.....	\$ 632,911.59
Less: Net deductions during year.....	19,132.42
	613,779.17
Balance	613,779.17
Less: Reserve for depreciation of plant	
As at April 1, 1930.....	\$105,000.00
Provision for past year....	35,000.00
	140,000.00
	\$ 473,779.17
INVESTMENT IN CAPITAL STOCK OF WOOD PRO- DUCTS COMPANY, LIMITED.....	1.00
FIRE INSURANCE FUND, (Canadian National Railway Bonds.).....	5,042.97
CURRENT ASSETS:	
Inventories (as certified to by responsible officials):	
Wood.....	\$ 438,616.49
Finished and partly finished products, Raw Materials, etc.....	504,336.68
	\$942,953.17
Accounts Receivable, less Reserve.....	203,152.11
Working Funds.....	9,648.44
Cash on Hand and in Banks.....	74,863.81
	\$1,230,617.53
PREPAID INSURANCE PREMIUMS.....	22,732.20
	\$1,732,172.87

Toronto, May 21st, 1931.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the books and accounts of Standard Chemical Company, Limited, and its Subsidiary Companies for the year ending March 31, 1931, and having obtained all the information and explanations which we have required, report that in our opinion the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the financial position of the combined companies as at March 31, 1931, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

PRICE, WATERHOUSE & COMPANY,
Auditors.

APPROVED ON BEHALF OF THE BOARD:

M. L. DAVIES, Director.
L. M. WOOD, Director.

8694968
1967871

10662839

Standard Chemical Company

Limited

And Subsidiary Companies

CONSOLIDATED BALANCE SHEET

MARCH 31ST, 1931

LIABILITIES

CAPITAL AND SURPLUS:

Capital Stock:

Authorized—38,750 shares without nominal or par value,
of which 37,277 shares are issued fully paid..... \$1,336,581.92

Note: 926 of the above shares are held by
Trust Company, to be exchanged for
old 7% Cumulative Preferred and
Common shares not yet surrendered.

Surplus:

As at April 1st, 1930..... \$ 260,873.22

Add: Net profit for the year, ending March
31st, 1931, after providing for income tax. 18,608.47

\$279,481.69

Deduct: Dividend of \$1.00 per share..... 37,277.00

242,204.69

\$1,578,786.61

CURRENT LIABILITIES:

Accounts Payable..... \$ 86,882.38

Reserve for Income Tax..... 12,185.93

99,068.31

RESERVES FOR CONTINGENCIES..... 54,317.95

\$1,732,172.87

NOTE:—There is a contingent liability of \$75,000.00
in respect of guarantee of Bank Loan of an Associat-
ed Company secured by hypothecation of First
Mortgage Gold Bonds of that Company.

5139639
6009887

4538651

1,732,171.88
1680775.49

5139639

Standard Chemical Company Limited

And Subsidiary Companies

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE

YEAR ENDING, MARCH 31st. 1931

Profit from operations of the combined companies, before charging depreciation, and interest and before providing for income tax.....	\$ 56,819.05
Deduct: Interest on outstanding debentures.....	1,710.58
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Profits before depreciation and income tax.....	\$ 55,108.47
Deduct: Amount provided for depreciation.....	35,000.00
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Profit before providing for income tax.....	\$ 20,108.47
Deduct: Provision for income tax.....	1,500.00
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NET PROFIT FOR THE YEAR.....	\$ 18,608.47

58
588
-1710
18698
7397
5677.47

-396706
190832

205874

