

**Standard Chemical
Company
Limited**



**TWENTY-FIRST
ANNUAL
REPORT**



**31st March
1932**

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STANDARD CHEMICAL COMPANY Limited

ANNUAL STATEMENT
For Twelve Months Ending 31st March, 1932

DIRECTORS

M. L. DAVIES - - - - - *President*
L. M. WOOD - - - - - *Vice-President*

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 submit herewith their Report for the Year ended March 31st, 1932, together with the Certificate of the Company's Auditors, Messrs. Price, Waterhouse and Company.

Profits from Operations amounted to \$1,391.26, compared with \$56,819.05 in the previous year. After deducting \$17,500 for Depreciation, there was a Net Loss of \$16,108.74.

The continued depression curtailed the activities of your Company during the year and, in addition, phenomenally mild weather during the winter had its effect upon the turnover of some of your Company's products, the demand for which depends largely upon climatic conditions.

The Sales for the year totalled \$1,121,645 as compared with \$1,387,067 a year ago. 24,252 cords of wood were carbonized, a decrease of 7,593 cords, as compared with the previous period.

The Plant and Equipment in your Property Account at the 31st March, 1931, stood at \$211,559, after applying Depreciation Reserve of \$140,000 at that date. Your Directors have carefully reviewed the matter during the past year and have arrived at the conclusion that a Reserve for Depreciation of \$17,500 per annum is now ample, as this sum reserved annually will equal the value of the existing Plant and Equipment in approximately ten years.

Negotiations were concluded during the year for additional timber lands which will enable your Company to continue its lumber operations for a prolonged period.

Your plants were maintained in good order, the cost being charged, as usual, to Operations.

In view of the strong liquid position of your Company, your Directors have decided to distribute a portion of the accumulated

undivided profits of \$188,818 and have declared a Dividend of Fifty Cents per share for the year ended March 31st, 1932, payable on the 27th day of June to shareholders of record on the 27th day of May, 1932. After the payment of this dividend, the balance of Undivided Profits will stand at \$170,179.

Your Directors wish to acknowledge the devoted and efficient services of the staff and all the employees of the Company during a very difficult year.

On Behalf of the Board,

M. L. DAVIES,
President.

Toronto, May 26th, 1932.

Standard Chemical Company Limited

And Subsidiary Companies

CONSOLIDATED BALANCE SHEET MARCH 31ST, 1932

ASSETS

CURRENT ASSETS:

Cash on Hand and in Banks.....	\$	33,863.35
Working Funds.....		9,233.44
Accounts Receivable, less Reserve.....		199,148.98
Inventories (as certified to by responsible officials):		
Wood.....	\$435,470.56	
Finished and partly finished products, Raw Materials, etc.	519,458.53	
	\$	954,929.09

\$ 1,197,174.86

FIRE INSURANCE FUND, (Canadian National Railway and Dominion of Canada Bonds, at cost).....		10,067.25
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DEFERRED CHARGES:

Prepaid Insurance Premiums, etc.....		25,227.35
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INVESTMENT IN CAPITAL STOCK OF WOOD PRODUCTS COMPANY, LIMITED.....		1.00
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FIXED ASSETS:

Land, Timber Limits, Plant and Equipment:		
As at April 1, 1931.....	\$	613,779.17
Add: Net additions during year.....		10,967.36
	\$	624,746.53

Less: Reserve for depreciation of plant:

As at April 1, 1931.....	\$140,000.00		
Provision for past year.....	17,500.00	157,500.00	\$467,246.53

\$1,699,716.99

Toronto, May 25th, 1932.

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, 1932, 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, 1932, 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.

Standard Chemical Company Limited

And Subsidiary Companies

CONSOLIDATED BALANCE SHEET

MARCH 31ST, 1932

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable and accrued Liabilities.....	\$ 109,771.33	
Reserve for Income Tax.....	5,000.00	
	<hr/>	114,771.33

RESERVES FOR CONTINGENCIES.....	59,544.79
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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
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Note: 832 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, 1931.....	\$242,204.69	
Deduct: Net loss for the year, ending March 31st, 1932 after providing \$17,500.00 for de- preciation.....	16,108.74	
	<hr/>	\$226,095.95
Deduct also: Dividend of \$1.00 per share.....	37,277.00	
	<hr/>	188,818.95
		<hr/>
		1,525,400.87
		<hr/>
		<u>\$1,699,716.99</u>

NOTE:—There is a contingent liability of \$50,000.00
in respect of guarantee of Bank Loan of an Associat-
ed Company secured by hypothecation of First
Mortgage Gold Bonds of that Company.

