

DOMINION
TAR & CHEMICAL COMPANY
LIMITED



ANNUAL
REPORT
1-9-2-9

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DOMINION
TAR & CHEMICAL COMPANY
LIMITED
AND SUBSIDIARY COMPANIES

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ANNUAL
REPORT
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DOMINION TAR & CHEMICAL COMPANY LIMITED

ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the Shareholders:

Your Directors submit herewith a consolidated statement of the affairs and the financial position of your Company and its subsidiaries for the fiscal year ended 31st December, 1929. The Balance Sheet has been prepared in comparative form with the one issued as of November 30th, 1928, at the time the ownership of your properties was transferred from England to Canada.

The statement presented to you reflects a very favourable year's business with considerable expansion. During the year a sum of not less than \$390,000.00 has been expended in new equipment for the Tar and Creosoting Plants to take care of additional business. In the latter part of 1929 your Company formed a subsidiary for the manufacture of Fibre Conduit and accessories and a manufacturing plant was in course of construction during the last few months of 1929 at Cornwall, Ont., and a considerable sum was advanced on account of this and the balance will be required in 1930. The subsidiary has commenced manufacturing and the outlook is encouraging. The manufacture of Conduit provides an outlet for certain products from the distillation of Tar.

All the minority interests in Alexander Murray and Company have been acquired and you now have the complete holding in this well established concern. In addition your holding in the Canada Creosoting Company was increased. All the above has been accomplished within the means of your Company and involving only the issue of 1,000 Preference Shares and 5,500 Common Shares and yet leaving an improvement in the Working Capital position to the extent of \$324,000.00.

Since the end of 1929 your Company has acquired a further very substantial interest in Alberta Wood Preserving Company and its wholly owned subsidiaries and at this date holds close to ninety-nine per cent. of the outstanding stock of that Company. The earnings of this Company have not been taken up on the books, but the 1930 earnings will be incorporated in the next annual statement.

The plants and properties of your Companies have been fully maintained to give efficient results.

Your Directors wish to express their sincere appreciation of the loyalty and efficiency of the officers and employees of the Company.

On behalf of the Board.

LIONEL O. P. WALSH,
President.

DOMINION TAR & CHEM AND SUBSIDIA

CONSOLIDATED BALANCE

ASSETS

CURRENT AND WORKING ASSETS:

	Nov. 30, 1928	Dec. 31, 1929
Finished Products, Raw Materials and Supplies as valued by the Management	\$ 1,325,562.18	\$ 1,415,865.57
Accounts and Bills Receivable, less Reserves. . .	1,173,632.63	1,072,485.04
Cash on hand and in Bank	529,791.50	278,881.07
Prepaid Insurance, etc.	22,812.69	25,155.35
	<u>\$ 3,051,799.00</u>	<u>\$ 2,792,387.03</u>

INVESTMENTS IN SHARES OF ASSOCI- ATED COMPANIES, AT COST.....

	670,500.00	671,000.00
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COST OF PROPERTIES:

Land, Buildings, Plant, Machinery and Equip- ment, Contracts, Leases, etc., less Reserve for Depreciation.....	7,423,488.15	7,717,559.49
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	<u>\$11,145,787.15</u>	<u>\$11,180,946.52</u>
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APPROVED ON BEHALF OF THE BOARD:

J. H. GUNDY, Director.

R. D. BELL, Director.

DOMINION TAR & CHEMICAL COMPANY LIMITED AND SUBSIDIARY COMPANIES

BALANCE SHEET, DECEMBER 31ST, 1929

LIABILITIES

	Nov. 30, 1928	Dec. 31, 1929
CURRENT LIABILITIES:		
Accounts and Bills Payable.....	\$ 1,328,102.30	\$ 549,856.93
Debenture Interest Accrued.....		120,092.42
Preferred Stock Dividend declared for the quarter ending January 31, 1930.....		74,750.00
	\$ 1,328,102.30	\$ 744,699.35
6% SINKING FUND DEBENTURES, TOTAL AUTHORIZED ISSUE \$7,500,000.00.		
Series "A," due 1949.....	4,000,000.00	4,000,000.00
MINORITY INTERESTS IN SUBSIDIARY COMPANIES		
RESERVE FOR CONTINGENCIES.....	817,684.85	748,069.33
6½% CUMULATIVE PREFERRED STOCK:		
Authorized—75,000 shares of \$100.00 each.....	\$ 7,500,000.00	
Issued and Outstanding.....	4,500,000.00	4,600,000.00
COMMON SHARES:		
Represented by Shares without nominal or par value, the total authorized issue being 300,000 shares—		
Balance issued Feb. 1, 1929 230,000 shares	\$ 500,000.00	\$ 500,000.00
Issued subsequently in con- nection with the acqui- sition of shares of subsidiary companies.....	5,500 "	16,500.00
	235,500 "	\$ 516,500.00
PROFIT AND LOSS ACCOUNT:		
Balance as per statement attached.....		551,677.84
	\$ 500,000.00	\$ 1,068,177.84
	\$11,145,787.15	\$11,180,946.52

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have audited the books and accounts of the Dominion Tar & Chemical Company Limited and of its Subsidiary Companies for the year ending December 31, 1929, and have received all the information and explanations which we have required; and we certify that, in our opinion, the above Consolidated Balance Sheet has been properly drawn up so as to show the true financial position of the Dominion Tar & Chemical Company Limited and its Subsidiary Companies at December 31, 1929, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

PRICE, WATERHOUSE & CO.,

Montreal, February 18, 1930.

Auditors.

DOMINION
TAR & CHEMICAL COMPANY
LIMITED
AND SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Loss and Surplus,
December 31, 1929*

Combined Net Earnings for the year ending December 31, 1929, after deducting Operating, Management and Selling Expenses and providing \$382,190.47 as a reserve for depreciation of properties. (Earnings applicable to minority share interests not included).....	\$1,169,811.21
<i>Deduct</i>	
Debenture Interest for the eleven months ending December 31, 1929..	\$ 219,616.40
Transferred to Reserve for Contingencies, being the equivalent of one month's Debenture Interest.....	20,000.00
Dividend paid and declared on Preferred Shares.....	294,125.00
Provision for Income Taxes.....	84,391.97
	<hr/> 618,133.37
Balance, Surplus at December 31, 1929.....	<hr/> <u>\$ 551,677.84</u>

