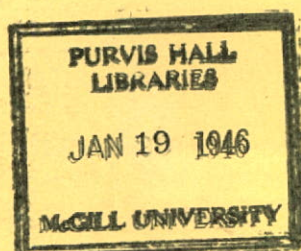


DOMINION
TAR & CHEMICAL COMPANY
LIMITED

□

ANNUAL
REPORT
1-9-3-1

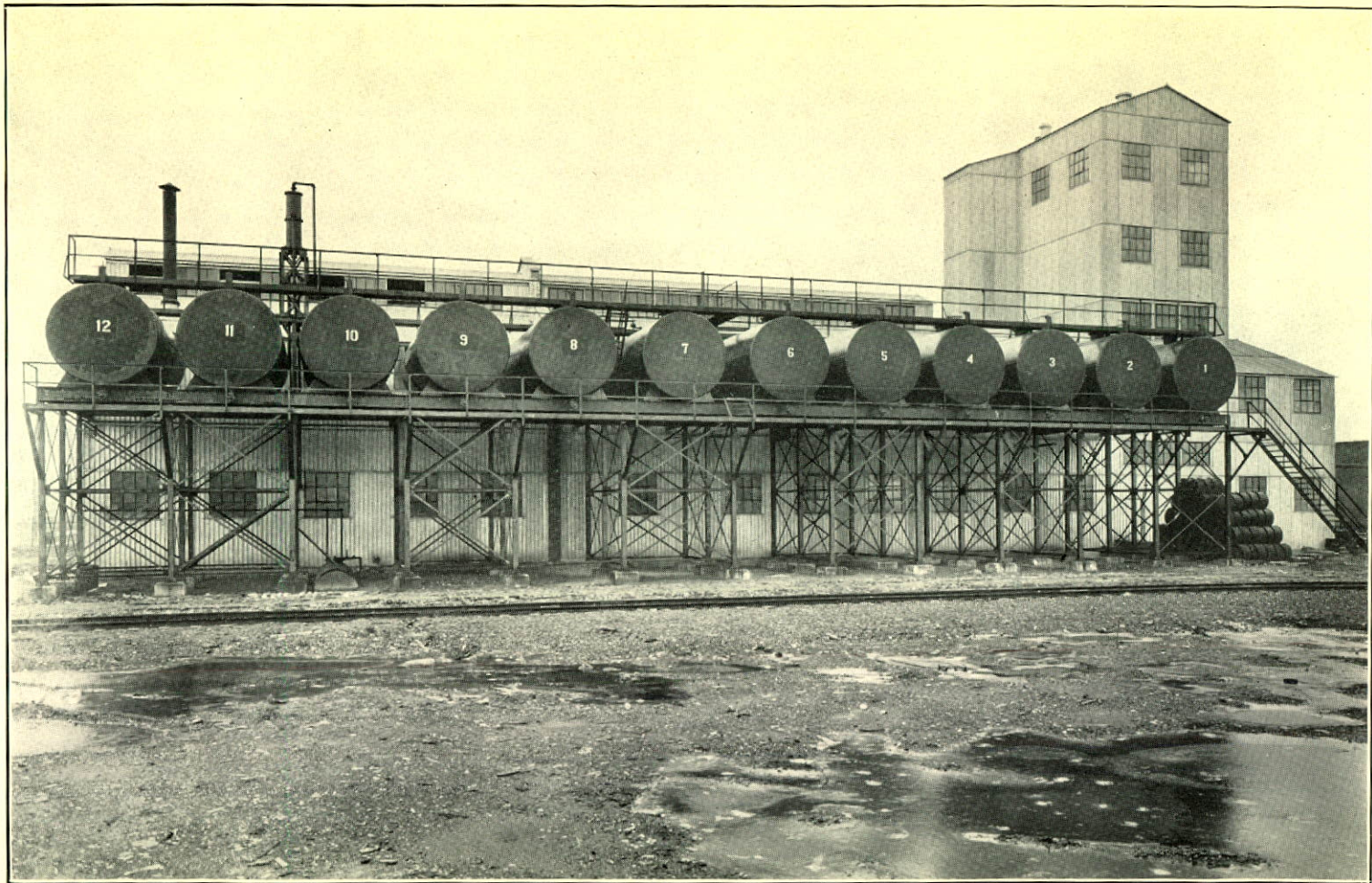


DOMINION
TAR & CHEMICAL COMPANY
LIMITED

AND SUBSIDIARY COMPANIES

□

ANNUAL
REPORT
1-9-3-1



Erected in 1931—Refinery for Coal Tar Chemicals, Toronto

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 of your Company and its Subsidiaries for the fiscal year ended 31st December, 1931.

In a difficult year with reduced business the Balance Sheet position has been strengthened. While Working Capital is slightly down liabilities have also been reduced. During the year the Sinking Fund has been in operation and \$106,000.00 of Bonds have been redeemed and cancelled. Additional Preferred Shares of Alberta Wood Preserving Company, Limited, have been purchased, having a value of \$50,300.00. The Shares of Vancouver Creosoting Company, Limited, and Alberta Wood Preserving Company, Limited, formerly held by Canada Creosoting Company, Limited, have now been transferred into the name of Dominion Tar & Chemical Company, Limited, and the remaining outstanding Shares of Vancouver Creosoting Company, Limited, were also acquired so that now all the issued and outstanding stock of that Company is owned by your Company.

Last year your Directors decided to enter into the manufacture of Phenols, Creosols and other Tar Acids, and during the latter part of the year a most up-to-date manufacturing plant was erected in Toronto and is now producing these chemicals for an available market and should contribute valuably to the earnings. This Plant together with the extension to our wharfage facilities at Toronto and New Westminster absorbed approximately \$325,000.00. The programme of extensions and improvements carried out over the last three years is now completed and very little if any capital expenditures are contemplated for 1932.

Your Company has not escaped the effects of the general depression, and though reporting reduced turnover at lower prices the earnings may be considered satisfactory. Economies in operation and management expenses have strengthened our position materially and together with the further economies being put into effect will be a considerable help during the continuance of the industrial inactivity. The position of all your industries has been maintained and any improvement in the industrial situation will, we confidently expect, be reflected in earnings. Fibre Conduits is now equipped to supply an Underfloor System and sales are increasing in this as well as in the Underground Conduit, and the export market is being explored.

The plants and properties of your Company have been fully maintained. Inventories have been brought down to the lowest possible figures and adjustments of values have been very small. An unusual charge to Profit and Loss is the premium on New York Funds and the Income Taxes include additional taxation paid in respect of the previous year.

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

On behalf of the Board.

LIONEL O. P. WALSH,
President.

DOMINION TAR & CHEMICAL COMPANY AND ITS SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET

ASSETS

CURRENT AND WORKING ASSETS:

	Dec. 31, 1930	Dec. 31, 1931
Finished Products, Raw Materials and Supplies as valued by the Management.....	\$ 1,812,693.57	\$ 1,603,444.03
Accounts and Bills Receivable, less Reserves.....	1,112,799.74	1,021,852.03
Dominion of Canada Bonds, at cost.....	15,135.62	—
Cash on hand and in Bank.....	125,809.32	252,113.59
Prepaid Insurance, etc.....	37,909.65	25,596.69
	\$ 3,104,347.90	\$ 2,903,006.34

CASH IN HANDS OF TRUSTEE FOR SINKING FUND — 572.90

COST OF PROPERTIES:

Land, Buildings, Plant, Machinery and Equipment, Contracts, Leases, etc., less Reserve for Depreciation ..	10,949,824.61	10,802,552.27
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AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of the Dominion Tar & Chemical Company, Limited, and of its Subsidiary Companies for the year ending December 31, 1931, and have received all the information and explanations which we have required; and we report 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, 1931, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

Montreal, February 16, 1932.

PRICE, WATERHOUSE & Co.,
Auditors.

APPROVED ON BEHALF OF THE BOARD:

H. S. HOLT, Director.
E. G. JACKSON, Director.

\$14,054,172.51	\$13,706,131.51
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ALBERTA PAPER COMPANY LIMITED

AND SUBSIDIARY COMPANIES

STATEMENT OF FINANCIAL POSITION, DECEMBER 31st, 1931

LIABILITIES

CURRENT LIABILITIES:

	Dec. 31, 1930	Dec. 31, 1931
Accounts and Bills Payable (including Dividends payable to Minority interests)	\$ 500,970.40	\$ 414,751.93
Debenture Interest accrued and Reserve for Exchange.	164,095.89	194,653.32
Dividends declared on Preferred Stocks:		
Dominion Tar & Chemical Co. Ltd.	81,818.75	81,818.75
Alberta Wood Preserving Co. Ltd.	7,318.50	6,307.00

SINKING FUND GOLD DEBENTURES:

Total authorized issue \$7,500,000.00	\$ 754,203.54	\$ 697,531.00
Series "A" 6% due 1949.	4,000,000.00	3,923,000.00
Series "B" 6% due 1949.	1,500,000.00	1,471,000.00

MINORITY INTEREST IN SUBSIDIARY COMPANIES 578,927.72 449,158.87

PREFERRED STOCK SINKING FUND RESERVE, SUBSIDIARY COMPANIES. 43,221.70 40,531.01

GENERAL AND CONTINGENT RESERVE..... 59,167.42 53,604.97

PREFERRED STOCK:

Dominion Tar & Chemical Co. Ltd.—		
6½% Cumulative Preference Stock: Authorized—		
75,000 Shares of \$100.00 each—\$7,500,000.00.		
Issued and Outstanding.....	5,035,000.00	5,035,000.00
(Redeemable upon sixty days' notice at 110% and accrued dividends.)		
Alberta Wood Preserving Co. Ltd.		
7% Cumulative Redeemable Preference Stock: Authorized—		
4,500 shares of \$100.00 each—\$450,000.00.		
Issued and Outstanding.....	410,700.00	360,400.00
(Redeemable upon sixty days' notice at 105% and accrued dividends.)		

COMMON SHARES:

Represented by Shares without nominal or par value, the total authorized issued being 300,000 shares.		
Issued and Outstanding.....	273,184 shs.	686,078.00
Less: Held by Trustees for Bondholders.	684 "	4,172.40

SURPLUS ACCOUNT: 272,500 " \$ 681,905.60 \$ 681,905.60

Balance as per Statement attached..... 991,046.53 994,000.06

\$ 1,672,952.13 \$ 1,675,905.66

Note: 26,970 Shares are reserved for Debenture Holders' option.

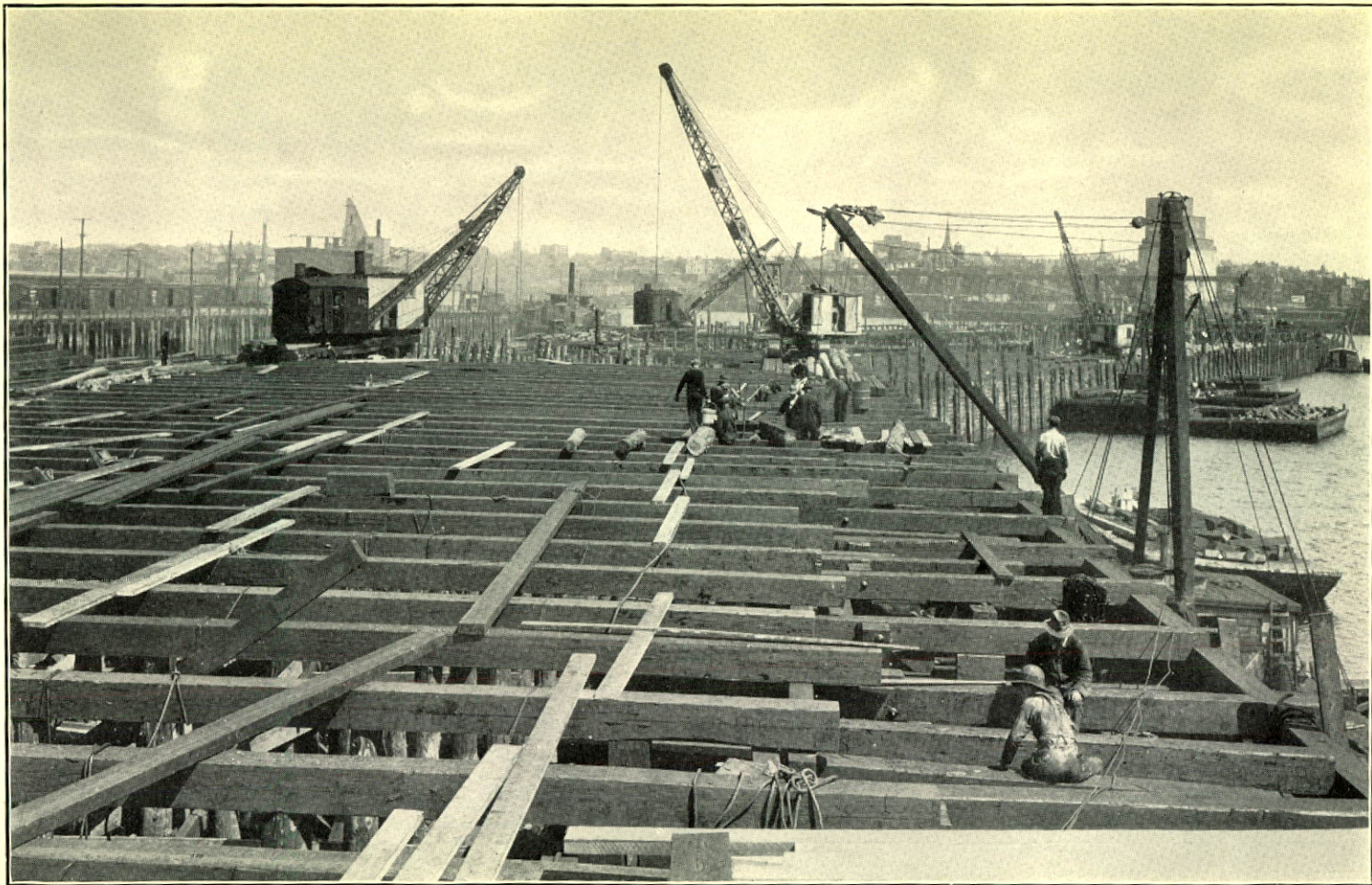
\$14,054,172.51 \$13,706,131.51

DOMINION
TAR & CHEMICAL COMPANY
LIMITED

AND SUBSIDIARY COMPANIES

*Consolidated Statement of Profit and Loss and Surplus
Account, year ending December 31, 1931.*

Combined Earnings for the year ending December 31, 1931, after deducting Operating, Management and Selling Expenses, exclusive of the earnings appli- cable to minority share interests	\$1,279,760.83
<i>Deduct</i> Provision for Depreciation.....	500,827.71
	\$ 778,933.12
<i>Deduct also:</i>	
Debenture Interest paid and accrued....	\$326,837.43
Provision for Exchange and Premium paid on Debenture Coupons.....	34,538.57
Dividends paid and declared on Preferred Shares—	
Dominion Tar & Chemi- cal Co. Limited.....	\$327,275.00
Alberta Wood Preserving Co. Limited.....	26,148.50
	353,423.50
Transfer to Preferred Stock	
Sinking Fund—Reserve of Subsid- iary Company.....	2,567.25
Income Tax paid and provided for.....	58,612.84
	775,979.59
Balance of Net Profits for the year.....	\$ 2,953.53
<i>Add:</i> Surplus, Balance at December 31, 1930.....	991,046.53
	\$ 994,000.06

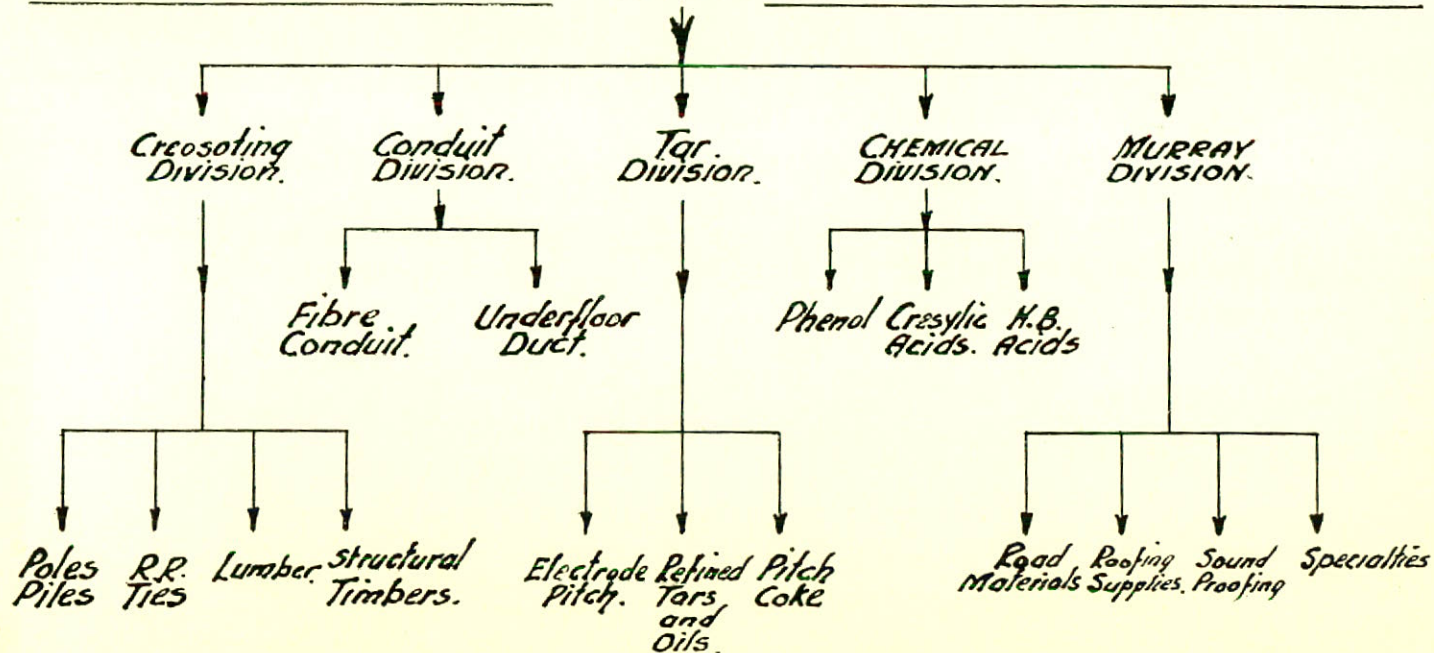


Saint John Harbour Reconstruction—Creosoted B.C. Fir Timbers were specified

DOMINION TAR & CHEMICAL CO LTD

— CRUDE COAL TAR. —

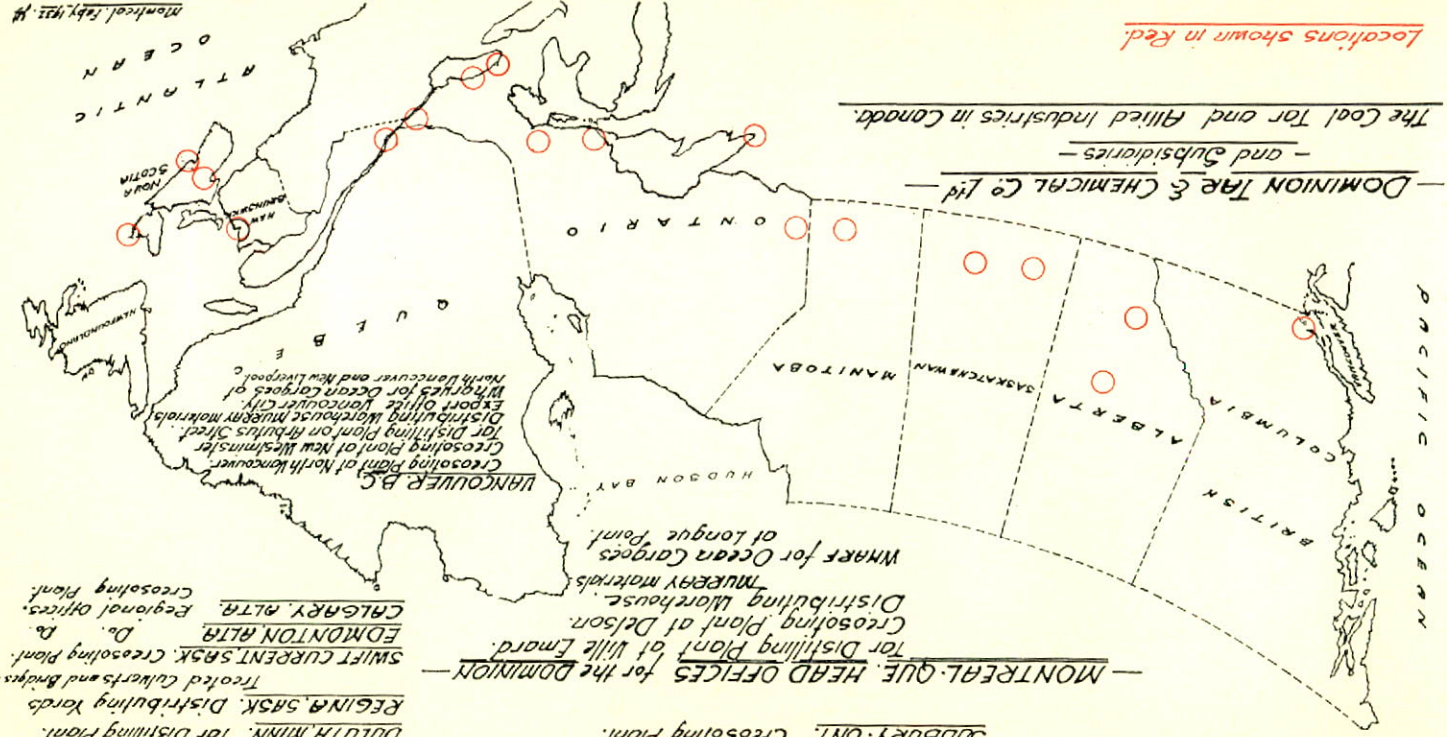
REFINING IN SEVEN DISTILLERIES AT STRATEGIC POINTS



Montreal, Feby. 1932.

Montreal, Feb. 1925. #4

Locations shown in Red.



SAULT STE. MARIE, ONT.
For Distilling Plant.

SILOX LOOKOUT, ONT. Creosoting Plant.

WINNIPEG, MANT. For Distilling Plant.
of St Boniface.
Distributing Warehouse.
Creosoting Plant of Hankens.

DULUTH, MINN. For Distilling Plant.
Distributing Yards.

REGINA, SASK. Distributing Yards.
Creosoting Plant.
Tooled Culverts and Bridges.

EDMONTON, ALTA. Do. Do.
Regional Offices.
Creosoting Plant.

CALGARY, ALTA. Creosoting Plant.

COENWALL, ONT. Fibre Conduit Factory.
Underground and Underfloor Systems.

TRENTON, ONT. Creosoting Plant.
Underground and Underfloor Systems.

TORONTO, ONT. For Distilling Plant.
Chemical Refinery.

SUDBURY, ONT. Creosoting Plant.
Distributing Warehouse. Murrery materials.

SYDNEY, N.S. For Distilling Plant.
Creosoting Plant.

HALLIFAX, N.S. Distributing Warehouse.
Murrery materials.

TRURO, N.S. Creosoting Plant.
Do. Do.

NEWCASTLE, N.B. Do. Do.

MONTREAL, QUE. HEAD OFFICES for the DOMINION

For Distilling Plant of Wille Emond.
Creosoting Plant of Delson.
Distributing Warehouse.
Murrery materials.
Wharf for Ocean Cargoes
at Longue Point.

VANCOUVER, B.C.
Creosoting Plant of North Vancouver.
Creosoting Plant of New Westminister.
For Distilling Plant on Richards Street.
Distributing Warehouse. Murrery materials.
Export Office. Vancouver City.
Wharves for Ocean Cargoes of
North Vancouver and New Liverpool.

DOMINION TAR & CHEMICAL Co Ltd
- and Subsidiaries -
The Coal Tar and Allied Industries in Canada.

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