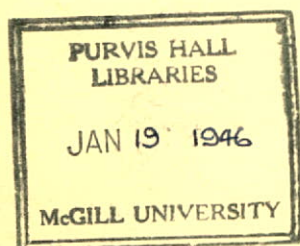


DOMINION  
TAR & CHEMICAL COMPANY  
LIMITED  
AND SUBSIDIARY COMPANIES

∞

ANNUAL  
REPORT  
1-9-4-3





# DOMINION TAR & CHEMICAL COMPANY LIMITED

CANADA CREOSOTING COMPANY, LIMITED  
ALEXANDER MURRAY & COMPANY, LIMITED  
CANADA ROOF PRODUCTS, LIMITED  
AMERICAN TAR & CHEMICAL COMPANY  
INDUSTRIAL MINERALS, LIMITED  
THE DOMINION SALT COMPANY, LIMITED

ANNUAL REPORT  
FOR THE YEAR ENDED 31st DECEMBER, 1943

### *Directors*

J. H. GUNDY	- - - - -	Toronto
RUSSELL D. BELL	- - - - -	Montreal
LIONEL O. P. WALSH	- - - - -	Montreal
ALBERT E. WHITMORE	- - - - -	Regina
ANDREW HOLT	- - - - -	London, Eng.
J. A. KILPATRICK	- - - - -	Montreal
H. R. MacMILLAN	- - - - -	Vancouver
A. O. PONDER	- - - - -	Montreal
L. L. BROWN	- - - - -	Montreal
HAROLD CRABTREE	- - - - -	Montreal

### *Officers*

<i>President</i>	- - - - -	LIONEL O. P. WALSH
<i>Vice-President</i>	- - - - -	A. O. PONDER
<i>Vice-President</i>	- - - - -	L. L. BROWN
<i>Secretary and Treasurer</i>	- - - - -	D. S. THOMAS

### *General Offices of the Company*

Fourth Floor, Canada Cement Company Building,  
Montreal, Que.

# DOMINION TAR & CHEMICAL COMPANY LIMITED

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## ANNUAL REPORT OF THE BOARD OF DIRECTORS

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### *To the Shareholders:*

Your Directors submit herewith a Consolidated Statement of the affairs of your Company and its Subsidiaries for the fiscal year ended the 31st of December, 1943. The Auditors' Report to the Shareholders is attached.

The net operating profit before charging Debenture Interest, Depreciation and Taxes amounts to \$2,340,992.22 and compares with \$3,018,872.88 for 1942 and \$2,292,999.41 for 1941.

In the early months of the year work was completed on certain orders for war purposes. Due to shortage of materials used in the normal business of your Company, and difficult labour conditions, gross earnings were adversely affected.

After charging Debenture Interest, Depreciation and Income Taxes the Net Profit amounts to \$672,724.05 and compares with \$680,306.88 a year ago. By the redemption of the 7% Cumulative Preference Shares of Alberta Wood Preserving Company Limited on the 1st of January, 1943, the accounts are relieved of a charge for dividends thereon and in consequence the dividends on Preference Shares in 1943 amounted to \$276,925.00 against a total of \$290,492.75 the year before. As a result the earnings on the Common Shares amount to \$395,799.05 for 1943 compared with \$389,814.13 for 1942. The refundable tax is carried as an item of deferred surplus and is not included in these figures.

The capital structure of the Company has been further simplified by the transfer of the assets of Alberta Wood Preserving Company Limited on the basis of the appraised value thereof, and the capital surplus arising therefrom has been written off Goodwill. A further appropriation from earned surplus reduces Goodwill by the total amount of \$900,000.00 to \$600,000.00.

Expenditures on additions to fixed assets amounted to \$259,329.52. The \$200,000.00 of serial debentures falling due in November were paid off in the ordinary course.

Working capital at the end of December last stands at \$2,839,652.57 against \$2,603,809.47 a year ago.

Your Directors wish to acknowledge with appreciation the splendid spirit of co-operation and the excellent work performed by employees during the year.

On behalf of the Board,

LIONEL O. P. WALSH,  
*President.*

# DOMINION TAR & CHEMICAL COMPANY AND SUBSIDIARIES

CONSOLIDATED

## ASSETS

	As at 31st Dec., 1942	As at 31st Dec., 1943
<b>CURRENT AND WORKING ASSETS:</b>		
Cash.....	\$ 606,849.62	\$ 852,949.23
Accounts and bills receivable—less reserves.....	2,407,122.67	1,557,144.83
Inventory of finished products, raw materials and supplies, as determined from the companies' records, valued at or below cost and certified by officials of the companies.....	1,600,858.30	1,473,702.25
Unexpired insurance and prepaid taxes.....	89,209.09	47,617.38
Dominion of Canada Bonds and U.S. Treasury Certificates—par value.....	900,000.00	1,020,000.00
	\$ 5,604,039.68	\$ 4,951,413.69
<b>INVESTMENTS:</b>		
Shares of other companies at cost and advances to employees.....	27,827.80	25,602.80
<b>REFUNDABLE PORTION OF EXCESS PROFITS TAXES—estimated.....</b>		
	86,500.00	185,554.65
<b>FIXED ASSETS:</b>		
Valued at cost, except in the case of properties acquired from subsidiary companies which are valued on the basis of appraisals by Canadian Appraisal Company Limited in 1940, 1941 and 1943.		
Land.....	930,707.44	991,958.01
Buildings, plant, machinery, equipment and mineral lease.....	8,820,306.21	8,970,112.05
	\$ 9,751,013.65	\$ 9,962,070.06
Less; Reserves for depreciation and depletion.....	3,376,952.41	3,218,466.72
	\$ 6,374,061.24	\$ 6,743,603.34
<b>GOODWILL:</b>		
Represented by the amount paid for shares of subsidiary companies in excess of the book value of the net tangible assets applicable thereto, less amounts written off.....	\$ 1,500,000.00	\$ 600,000.00

### AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the books and accounts of Dominion Tar & Chemical Company Limited for the year ended 31st December, 1943, and the books and accounts of subsidiary companies, with the exception of three subsidiaries whose accounts, which have been examined and reported upon by other chartered accountants, are included in the above Consolidated Balance Sheet. We have obtained all the information and explanations which we have required.

In our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the combined companies' affairs, according to the best of our information and the explanations given to us and as shown by the books of the companies.

(Signed) McDONALD, CURRIE & CO.,

Montreal, 16th February, 1944.

*Chartered Accountants.*

Approved on behalf of the Board:

LIONEL O. P. WALSH }  
H. CRABTREE } *Directors.*

\$13,592,428.72

\$12,506,174.48

# CAL COMPANY LIMITED

## Y COMPANIES

### BALANCE SHEET

#### LIABILITIES

	As at 31st Dec., 1942	As at 31st Dec., 1943
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued liabilities.....	\$ 1,655,612.77	\$ 1,108,345.87
Accrued interest on debentures.....	20,650.00	19,775.00
Reserve for income and excess profits taxes, and other accrued taxes.....	1,251,852.19	914,409.00
Dividends declared on preference stocks—		
Alberta Wood Preserving Company Limited.....	2,884.00	—
Dominion Tar & Chemical Company Limited.....	69,231.25	69,231.25
	<u>\$ 3,000,230.21</u>	<u>\$ 2,111,761.12</u>
<b>SECURED DEBENTURES:</b>		
Total authorized issue.....	\$7,500,000.00	
Serial debentures 3½% Series "A" due 15th November, 1944.....	400,000.00	200,000.00
15 Year debentures 4½% Series "A" due 15th November, 1951.....	3,360,000.00	3,360,000.00
<b>CAPITAL STOCK AND SURPLUS:</b>		
<i>Preference Stocks—</i>		
Dominion Tar & Chemical Company Limited—		
5½% Cumulative preference stock:		
Authorized		
75,000 shares of \$100.00 each..... \$7,500,000.00		
Issued and fully paid—		
50,350 shares..... 5,035,000.00		
(Redeemable upon sixty days' notice at 110% and accrued dividends.)		
5,035,000.00		
5,035,000.00		
Alberta Wood Preserving Company Limited—		
7% Cumulative redeemable preferred stock:		
Authorized and issued at 31st December, 1942—		
3,455 shares of \$100.00 each..... \$ 345,500.00		
Outstanding in the hands of the public.....		
164,800.00		
(Redeemed as of 1st January, 1943, at 105%.)		
—		
<i>Common Stock—</i>		
Authorized		
450,000 shares without nominal or par value—		
Issued and fully paid—373,884 shares.....		
711,253.00		
711,253.00		
<i>Earned Surplus—</i> as per attached statement.....		
834,645.51		
902,605.71		
<i>Deferred Surplus—</i>		
Refundable portion of excess profits taxes—as per contra		
86,500.00		
185,554.65		
<u>\$ 6,832,198.51</u>		
<u>\$ 6,834,413.36</u>		
<u>\$13,592,428.72</u>		
<u>\$12,506,174.48</u>		

# DOMINION TAR & CHEMICAL COMPANY LIMITED AND SUBSIDIARY COMPANIES

## *Consolidated General Statement of Income and Expenditure For the Year ended 31st December, 1943*

Net Operating Profit—before making the following deductions.....		\$2,450,877.65
<i>Add:</i>		
Net Investment Income.....	\$ 11,940.23	
Less: Loss on sale of investments.....	4,250.00	
		7,690.23
		\$2,458,567.88
<i>Deduct:</i>		
Legal expense.....	9,761.08	
Salaries and fees paid to executive officers	102,834.58	
Fees paid to other directors.....	4,980.00	
		117,575.66
		\$2,340,992.22
<i>Deduct:</i>		
Interest on debentures.....	164,325.00	
Provision for depreciation and depletion..	470,188.57	
Provision for income and excess profits taxes.....	1,033,754.60	
		1,668,268.17
<i>Net Profit</i> for the year.....		\$ 672,724.05

## *Consolidated Statement of Earned Surplus For the Year Ended 31st December, 1943*

Balance as at 31st December, 1942.....		\$ 834,645.51
<i>Add:</i>		
Net Profit for the year.....		672,724.05
		\$1,507,369.56
<i>Deduct:</i>		
Dividends on preference stock.....		276,925.00
		\$1,230,444.56
<i>Deduct:</i>		
Amount written off goodwill account.....	\$ 900,000.00	
Less: Capital profit arising from the appraisal of certain of the properties of the companies, less the premium paid on the redemption of preferred shares....	572,161.15	
		327,838.85
<i>Balance</i> as at 31st December, 1943.....		\$ 902,605.71



## TAR AND CHEMICAL DIVISION

Crude Tar	Phenol	Phthalic Anhydride
Refined Tar	Cresol	Dibutyl Phthalate
Special Tar	Orthocresol	Roofing Pitch
Road Building Tars	Meta Para Cresol	Paving Pitch
Wood Preserving Oils	Xylenols	Briquetting Pitch
Flotation Oils	Cresylic Acid	Electrode Pitch
Disinfectant Oils	High Coefficient Acids	Pitch Coke
Coal Tar Acids	Crude Naphthalene	

## SALT DIVISION

Fine and Coarse Salt for all domestic, animal and industrial purposes, in bulk and containers.

SIFTO FREE RUNNING SALT—Plain and Iodized

McMURRAY FREE RUNNING SALT—Plain and Iodized

PURITY SALT—Plain and Iodized

## ALEXANDER MURRAY DIVISION

Murray Registered Pitch and Gravel Roofs

Asphalt Roofing Products

Donnacona Insulation

Donnacousti

Donnacona Hardboard

Modernite (Pre-finished Hardboard)

Insulated Brick Siding

Dry and Saturated Sheathings and Felts

Rotar (for Better Roads)

## FIBRE CONDUIT DIVISION

CORNWALL Fibre Conduit for UNDERFLOOR electrical distribution

CORNWALL STANDARD Fibre Conduit and NOCRETE Conduit for UNDERGROUND electrical distribution

NO-CO-RODE Fibre Pipe for Drainage and Sewage Disposal

## THE ACE-TEX LINE

Asphalt Shingles . Roll Roofings . Slate Roofings

Roof Coatings . Roof Paints . Asphalts . Pitch . Coal Tar

Insulation Lumber . Floor Tiles . Building Paper

Sheathings . Felt

## CREOSOTING DIVISION

CREOSOTED POLES—Telephone—Telegraph and Power Line

CREOSOTED PILING—Marine and Landwork

CREOSOTED STRUCTURAL TIMBERS

CREOSOTED CULVERTS—Round and Square

CREOSOTED TIMBER BRIDGES

CREOSOTED CROSS AND SWITCH TIES

CREOSOTED WOOD FLOORING BLOCKS

ZINC CHLORIDE LUMBER

PREFABRICATED TRUSSES AND BUILDING FRAMES

## HEAD OFFICE

Fourth Floor,  
Canada Cement Company Building  
Montreal, Quebec

Research Laboratory, Ville LaSalle, P.Q.

## NOVA SCOTIA

Tar Distilling Plant at Sydney  
Creosoting Plant at Truro  
Murray Products—Warehouse and Sales Office at Halifax

## NEW BRUNSWICK

Creosoting Plant at Newcastle  
Murray Products—Warehouse and Sales Office at Saint John

## QUEBEC

Tar Distilling Plant at Ville LaSalle, Montreal  
Creosoting Plant at Delson, near Montreal  
Murray Products—Warehouse and Sales Office at Montreal  
Storage Tanks and Wharf at Racine Pier, Montreal

## ONTARIO

Tar Distilling Plant at Sault Ste. Marie  
Tar Distilling Plant at Toronto  
Phthalic Anhydride Plant at Toronto  
Dibutyl Phthalate Plant at Toronto  
Fibre Conduit Manufacturing Plant at Cornwall  
Creosoting Plant at Trenton  
Creosoting Plant at Sudbury  
Creosoting Plant at Sioux Lookout  
Creosoting Plant at Fort William  
Creosoting—Sales Office at Toronto  
Salt Refinery at Sarnia  
Salt—Sales Office at Toronto  
Murray Products—Warehouse and Sales Office at Toronto

## MANITOBA

Tar Distilling Plant at St. Boniface  
Creosoting Plant at North Transcona  
Murray Products—Warehouse and Sales Office at St. Boniface  
Creosoting—Sales Office at Winnipeg

## SASKATCHEWAN

Creosoting Plant at Prince Albert  
Creosoting—Sales Office at Regina

## ALBERTA

Salt Refinery at Waterways  
Salt—Sales Office at Calgary  
Creosoting Plant at Edmonton  
Creosoting Plant at Calgary  
Western Regional Office at Calgary  
Ace-Tex Products—Warehouse and Sales Office at Calgary

## BRITISH COLUMBIA

Creosoting Plant at New Westminster  
Creosoting Plant at North Vancouver  
Creosoting—Sales Office at North Vancouver  
Storage Tanks and Wharf at New Liverpool  
Murray Products—Warehouse and Sales Office at Vancouver  
Tar Distilling and Ace-Tex Products Manufacturing Plant at Vancouver

## U.S.A.

Tar Distilling Plant at Duluth, Minn.  
Warehouse and Sales Office at Minneapolis, Minn.



