

**ANNUAL REPORT**  
**OF THE**  
**BOARD OF DIRECTORS**



**FOR THE FISCAL YEAR ENDING**  
**NOVEMBER 30, 1935**

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# CANADA CEMENT COMPANY LIMITED

## Annual Report of the Board of Directors

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### TO THE SHAREHOLDERS:

Your Directors present herewith a statement of the affairs and financial position of your Company for the fiscal year ending November 30, 1935.

The volume of cement sold in Canada during the year just closed was slightly lower than in the previous year. There was considerable improvement in the use of cement for buildings and small uses, but on the other hand there was a falling-off in road and street paving and in municipal work generally. While the increase in the one and the decline in the other nearly balanced, there was, on the whole, a small decrease in consumption.

The statement presented herewith reflects the condition of the industry during the year, showing, as it does, very little change from the previous year's statement. The Gross Earnings were sufficient to pay Bond Interest and Exchange amounting to \$1,038,913.26 and to provide for Depreciation of Plant Account to the extent of \$1,000,000.00, leaving a small balance to be carried forward to Surplus Account. Earnings were not sufficient during the year to justify any payment on the Preferred Stock and dividends therefore accrued for the year.

The set-up of the Balance Sheet has been somewhat changed from the previous year, in that now all the subsidiary companies' accounts have been consolidated in the Balance Sheet, with the exception of the St. Lawrence Land Company, which owns the Canada Cement Building. The outstanding Bonds and Securities of all subsidiaries, other than the St. Lawrence Land Company, have now been redeemed, making it possible to bring them all, with this exception, into the Consolidated Statement.

It is difficult in times like these to make forecasts. Nevertheless, it is true that the construction industry in the other countries of the world, outside of Canada, is showing considerable activity, in some countries reaching boom conditions. It would seem, therefore, that at least a moderate revival of the industry, particularly in private building, is overdue in Canada. It is not expected that progress will be rapid, but there are indications of a turn towards improvement.

Your Company, you will note, has well maintained its liquid position and we trust that, under the circumstances obtaining in the industry, the results of the year's operations will prove satisfactory to you.

Respectfully submitted on behalf of the Board of Directors,

J. D. JOHNSON,  
President.

# CANADA CEMENT COMPANY LIMITED

Consolidated Balance Sheet, November 30, 1935

## ASSETS

### CURRENT ASSETS:

Inventories as determined and certified to by the Management and valued at or below cost which is below market.....	\$ 1,373,437.52	
Accounts Receivable (less Bad Debt Reserve):		
Customers' Accounts.....	\$ 313,639.31	
Other Accounts.....	26,364.02	340,003.33
Loans to Employees for purpose of purchase of Company's Shares.....		6,302.46
Deposits on Tenders.....		8,000.56
Securities deposited with Workmen's Compensation Commission.....		5,000.00
Government Bonds (Market Value \$1,616,395.00).....		1,570,515.63
Cash.....		1,154,539.79
		\$ 4,457,799.29

### INVESTMENT IN AND ADVANCES TO ST. LAWRENCE LAND COMPANY:

(Owning the Canada Cement Building and other Properties):		
Shares (the total issue) less amounts written off.....	\$ 28,174.34	
Advances.....	705,747.55	733,921.89

### OTHER INVESTMENTS:

Company's Own Bonds (at par).....	\$ 371,000.00	
Miscellaneous Investments at book value, less amounts written off.....	60,034.50	431,034.50

### UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES.....

75,684.63

### PROPERTY ACCOUNT:

Land, Buildings, Plant and Equipment, etc., as appraised by Messrs. Ford, Bacon & Davis, Inc., on the basis of commercial value at September 30, 1927, \$38,267,500.00, with the cost of subsequent additions, and acquisitions, less Depreciation written off.....		40,766,456.38
		<u>\$46,464,896.69</u>

## LIABILITIES

### CURRENT LIABILITIES:

Accounts Payable.....	\$ 294,628.45	
Bond Interest Accrued.....	78,187.10	
Provision for Dominion, Provincial and Other Taxes.....	66,129.44	\$ 438,944.99

### RESERVES:

Fire Insurance.....	\$ 750,000.00	
Extraordinary Repairs and Renewals.....	175,000.00	
Cloth Sacks Outstanding.....	150,000.00	
Industrial Accidents.....	59,600.00	
Contingent Reserve.....	250,000.00	1,384,600.00

### FIRST MORTGAGE SINKING FUND GOLD BONDS 5½% SERIES "A" DUE 1947:

Authorized.....	\$30,000,000.00	
Issued.....	\$20,000,000.00	
Less: Redeemed through Sinking Fund.....	2,941,000.00	17,059,000.00

### PREFERENCE SHARES—6½% SINKING FUND CUMULATIVE SHARES OF \$100.00 EACH REDEEMABLE ON SIXTY DAYS' NOTICE:

Authorized (of which \$21,000,000.00 has been issued).....	\$25,000,000.00	
Outstanding.....		20,086,900.00

NOTE: No dividend has been paid since May 31, 1932.

### PREFERENCE SHARES REDEMPTION RESERVE.....

55,900.00

### COMMON SHARES:

600,000 Shares of No Par Value, out of an authorized issue of 750,000 Shares, issued at the incorporation of the Company in 1927.....		6,403,904.75
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### EARNED SURPLUS:

Profit and Loss Account for the year ending November 30, 1935:		
Profit from Operations.....	\$ 2,015,010.24	
Interest, including interest on the Company's holdings in its own Bonds.....	178,140.80	
	\$ 2,193,151.04	
Deduct: Bond Interest and exchange thereon.....	1,038,913.26	
Deduct:	\$ 1,154,237.78	
Depreciation written off Property Account.....	\$ 1,000,000.00	
Premium paid on Bonds purchased for Redemption.....	20,759.18	
Executive Remuneration.....	65,162.00	
Directors' Fees.....	9,690.00	
Legal Expenses.....	1,463.29	
Provision for Dominion and Provincial Income Taxes.....	19,470.00	1,116,544.47
	\$ 37,693.31	
Adjustments in respect of prior years.....	52,658.81	
	\$ 90,352.12	
Balance of Surplus, November 30, 1934.....	945,294.83	\$ 1,035,646.95
		<u>\$46,464,896.69</u>

### AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of Canada Cement Company Limited and its Subsidiary Companies for the year ending November 30, 1935, and have obtained all the information and explanations which we have required. The above Consolidated Balance Sheet at November 30, 1935, includes the assets and liabilities of National Cement Company and other Subsidiary Companies, but does not include the assets and liabilities of St. Lawrence Land Company, the Company's interest in which is carried under the heading of Investments; and we report that, in our opinion, the Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the Company's affairs before making full provision against the year's operations for depreciation of Plant and Equipment, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

In accordance with Section 114 of the Companies' Act, 1934, we report that the profit of St. Lawrence Land Company has not been taken up in the above statement, but is carried forward on the books of that Company.

APPROVED ON BEHALF OF THE BOARD:

J. D. JOHNSON, Director.  
H. L. DOBLE, Director.

PRICE, WATERHOUSE & CO.,  
Auditors.  
Montreal, December 19, 1935.

# CANABA CEMENT COMPANY LIMITED

Consolidated Balance Sheet November 30, 1966

## ASSETS

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Cash</td> <td style="width: 50%; text-align: right;">\$ 1,000,000</td> </tr> <tr> <td>Accounts receivable</td> <td style="text-align: right;">2,500,000</td> </tr> <tr> <td>Inventory</td> <td style="text-align: right;">1,500,000</td> </tr> <tr> <td>Prepaid expenses</td> <td style="text-align: right;">500,000</td> </tr> <tr> <td>Other assets</td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>\$ 6,500,000</b></td> </tr> </table>	Cash	\$ 1,000,000	Accounts receivable	2,500,000	Inventory	1,500,000	Prepaid expenses	500,000	Other assets	1,000,000	<b>Total</b>	<b>\$ 6,500,000</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Accounts payable</td> <td style="width: 50%; text-align: right;">\$ 1,500,000</td> </tr> <tr> <td>Accrued liabilities</td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td>Deferred taxes</td> <td style="text-align: right;">500,000</td> </tr> <tr> <td>Other liabilities</td> <td style="text-align: right;">1,000,000</td> </tr> <tr> <td><b>Total</b></td> <td style="text-align: right;"><b>\$ 4,000,000</b></td> </tr> </table>	Accounts payable	\$ 1,500,000	Accrued liabilities	1,000,000	Deferred taxes	500,000	Other liabilities	1,000,000	<b>Total</b>	<b>\$ 4,000,000</b>
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## ADDITIVES REPORT TO THE SHAREHOLDERS

The Board of Directors of Canaba Cement Company Limited, in its capacity as the governing body of the company, has the honor to acknowledge the receipt of the report of the auditors on the consolidated financial statements of the company for the year ended November 30, 1966. The report of the auditors is in full compliance with the provisions of the Companies Act, Chapter 87:01, of the laws of the Republic of Trinidad and Tobago, and the company is pleased to state that the same is in accordance with the facts and figures as shown in the consolidated financial statements of the company for the year ended November 30, 1966.

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