

Texaco Canada Ltd.

Fifth

ANNUAL
REPORT

McCOLL-FRONTENAC
OIL COMPANY LIMITED



For Fiscal Year Ending
JANUARY Thirty-first - 1933

McCOLL-FRONTENAC OIL COMPANY
Limited



Fifth Annual Report

for
Fiscal Year Ending
JANUARY THIRTY-FIRST
1933

McCOLL-FRONTENAC OIL COMPANY

Limited

TO THE SHAREHOLDERS:

Your Directors have pleasure in submitting herewith your Company's fifth annual report, together with Balance Sheet as at January 31st, 1933, and Profit and Loss Account for the twelve months period ending on that date.

Total profits from operations and income from investments amounted to \$3,042,793.89, as compared with \$3,370,186.44 for the previous year, a decrease of \$327,392.55.

Current assets amount to \$5,842,100.37, compared with current liabilities of \$1,209,708.86, giving a net working capital of \$4,632,391.51, as compared with \$4,553,205.78 for the previous year.

After deductions of reserves for depreciation, bad debts, investments, and contingencies, bond interest and exchange, income tax, and preferred stock dividends, there remained a balance of \$765,197.34, equivalent to \$1.53 per share on the 500,000 shares of common stock outstanding.

Consistent with the Company's policy as reported at the Company's last annual meeting, your Directors have followed, and are continuing to follow, a policy of moderate expansion, making capital expenditures chiefly for the purpose of economies and increased efficiency.

Your Directors feel that operations during the year under review were satisfactory, considering existing conditions.

All the Company's plants and equipment have been well maintained and are in splendid condition.

Your Directors wish again to express their appreciation of the faithful and efficient service rendered by all the staff and employees of your Company.

On behalf of the Board,

JOHN IRWIN,

President.

MONTREAL, April 19th, 1933.

McCOLL-FRONTENAC OIL COMPANY LIMITED AND SUBSIDIARY COMPANIES

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND SURPLUS ACCOUNT YEAR ENDING JANUARY 31ST, 1933

| | | |
|--|-------------------|------------------------------|
| Profits from Operations and Miscellaneous Revenue..... | \$3,042,793.89 | |
| Deduct: Bank Interest..... | 13,524.75 | |
| | <u> </u> | \$3,029,269.14 |
| DEDUCT: | | |
| Reserve for Depreciation..... | \$633,313.52 | |
| Provision for Bad and Doubtful Accounts. . . | 147,051.73 | |
| Reserve for Contingencies, etc..... | 155,267.68 | |
| Amortization of Bond Discount, etc..... | 47,180.23 | |
| | <u> </u> | 982,813.16 |
| | | \$2,046,455.98 |
| DEDUCT ALSO: | | |
| Interest on Bonds..... | \$ 592,260.27 | |
| U.S. Exchange paid and accrued on Bond Interest..... | 87,335.37 | |
| | <u> </u> | 679,595.64 |
| Net Profit for the year before providing for Income Taxes. . . . | | \$1,366,860.34 |
| Provision for Income Taxes, year ending January 31, 1933. . . . | | 135,100.00 |
| | | <u> </u> |
| | | \$1,231,760.34 - |
| Dividends paid on 6% Preferred Stock..... | | 466,563.00 |
| | | <u> </u> |
| | | \$ 765,197.34 |
| Dividends paid on Common Shares—Four quarterly dividends of fifteen cents per share up to December 15, 1932..... | | 299,986.20 |
| | | <u> </u> |
| | | \$ 465,211.14 ✓ |
| ADD: Surplus Balance, January 31, 1932..... | | 2,039,143.30 |
| Surplus Balance, January 31, 1933..... | | <u><u>\$2,504,354.44</u></u> |

MCCOLL-FRONTENAC C AND SUBSIDIAR

CONSOLIDATED BALANCE

ASSETS

CURRENT ASSETS:

| | | |
|--|---------------|-----------------|
| Cash on hand and in Bank..... | \$ 601,716.46 | |
| Bonds and Stocks not exceeding Market Value..... | 311,067.00 | |
| Accounts and Bills Receivable, less Reserve for Bad and Doubtful Accounts..... | 1,328,362.44 | |
| Inventories of Merchandise and Supplies.... | 3,600,954.47 | |
| | | \$ 5,842,100.37 |

| | |
|--|------------|
| INVESTMENTS IN AND ADVANCES TO AFFILIATED COMPANIES AND LOANS AND MORTGAGES TO CUSTOMERS (less Reserve). | 993,258.40 |
|--|------------|

| | |
|--|-----------|
| FIRST MORTGAGE COLLATERAL TRUST CONVERTIBLE 6% BONDS DUE 1949, purchased in anticipation of Sinking Fund requirements..... | 60,000.00 |
|--|-----------|

| | |
|---|------------|
| COST OF COMMON SHARES OF COMPANY PURCHASED UNDER BY-LAW "D" FOR SALE TO EMPLOYEES, BALANCE..... | 294,381.00 |
|---|------------|

DEFERRED CHARGES:

| | | |
|--|--------------|------------|
| Insurance, Taxes and Other Prepaid Expenses..... | \$208,068.46 | |
| Bond Discount and Expense..... | 695,367.96 | |
| | | 903,436.42 |

COST OF PROPERTIES:

| | |
|--|-----------------|
| Land, Buildings and Equipment at cost.... | \$17,713,426.09 |
| Trade Marks, Processes and Goodwill..... | \$ 742,837.66 |
| Premiums paid on Purchase of Subsidiary Companies' Capital Stocks..... | 6,942,479.21 |

| | | |
|---------------------------------|--------------|---------------|
| Balance, January 31, 1932 | 7,685,316.87 | 25,398,742.96 |
|---------------------------------|--------------|---------------|

\$33,491,919.15

APPROVED ON BEHALF OF THE BOARD:

J. IRWIN, Director.
P. A. THOMSON, Director.

IL COMPANY LIMITED

Y COMPANIES

SHEET JANUARY 31st, 1933

LIABILITIES

CURRENT LIABILITIES:

| | |
|--|---------------|
| Accounts Payable and Accrued Liabilities.. | \$ 831,728.04 |
| Bond Interest Accrued..... | 236,132.00 |
| Reserve for Income Taxes..... | 141,848.82 |

\$ 1,209,708.86

| | |
|------------------------------------|------------|
| DEFERRED CONTRACT LIABILITIES..... | 120,196.45 |
| MORTGAGES PAYABLE..... | 275,614.71 |

RESERVES:

| | |
|------------------------------|----------------|
| For Depreciation..... | \$2,443,231.18 |
| General and Contingency..... | 418,013.51 |

2,861,244.69

| | |
|---|--------------|
| FIRST MORTGAGE COLLATERAL TRUST CONVERTIBLE 6% BONDS DUE 1949 (Authorized Issue \$25,000,000.00)..... | 9,880,000.00 |
|---|--------------|

PREFERRED STOCK:

6% Cumulative Sinking Fund Preferred Shares of \$100.00 each (Authorized Issue 100,000 Shares).

| | | |
|-----------------------|---------------|----------------|
| Issued..... | 82,053 shares | \$8,205,300.00 |
| Deduct: Redeemed..... | 3,399 " | 339,900.00 |

78,654 " \$7,865,400.00

| | | |
|----------------------------------|---------|------------|
| Deduct: Held for Redemption..... | 1,146 " | 114,600.00 |
|----------------------------------|---------|------------|

77,508 "

7,750,800.00

Redeemable at 105 on any dividend date after thirty days' notice.

COMMON STOCK AND SURPLUS:

Common Shares—

Authorized—750,000 shares without Nominal or par value:

| | |
|----------------------------|----------------|
| Issued—500,000 shares..... | \$8,890,000.00 |
|----------------------------|----------------|

Surplus—

| | |
|--------------------------------|--------------|
| Balance, January 31, 1933..... | 2,504,354.44 |
|--------------------------------|--------------|

11,394,354.44

NOTE:—A dividend of Fifteen Cents per share on the Common Shares has been declared payable March 15, 1933.

\$33,491,919.15

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of McColl-Frontenac Oil Company Limited and its Subsidiary Companies for the year ending January 31, 1933, and have received all the information and explanations which we have required; and we report that, in our opinion, the attached Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs at January 31, 1933, 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.,
P. S. ROSS & SONS,

Auditors.

MONTREAL, March 20, 1933.

McCOLL-FRONTENAC OIL COMPANY LIMITED

1932

« « » »

JOHN IRWIN, Montreal
President

P. A. THOMSON, Montreal
Vice-President

J. A. WALES, Montreal
Vice-President in Charge of Operations

J. M. PRITCHARD, Montreal
Vice-President in Charge of Sales

S. S. GRIFFITHS, Toronto
Vice-President in Charge of Central Division Marketing

H. H. BRADBURN, Winnipeg
Vice-President in Charge of Western Division Marketing

COLONEL W. A. BISHOP, V.C., D.S.O., M.C., D.F.C., Montreal
Vice-President

FRED HUNT, Montreal
Secretary-Treasurer

L. A. BROOKS, C.A., Montreal
Comptroller

Directors

| | | |
|-----------------|---------------------|-----------------|
| J. IRWIN | A. J. NESBITT | P. A. THOMSON |
| GORDON F. PERRY | E. R. PARKINS, K.C. | J. M. PRITCHARD |
| J. B. WOODYATT | J. A. WALES | H. H. BRADBURN |

Fiscal Agents

NESBITT, THOMSON & COMPANY LIMITED

Transfer Agents
MONTREAL TRUST CO.

Registrars
ROYAL TRUST CO.

Auditors

PRICE, WATERHOUSE & COMPANY
P. S. ROSS & SONS

Head Office of the Company
ROYAL BANK BUILDING
MONTREAL - CANADA



The loyalty of shareholders is equally as important to the management as that of the staff. We therefore look for continued support and for your influence over friends and associates in the use of your Company's products.

