

Texaco Canada Ltd. 1931-32



*Fourth Annual Report*  
**McCOLL-FRONTENAC**  
OIL COMPANY LIMITED

for  
Fiscal Year Ending  
JANUARY THIRTY-FIRST  
1932

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McCOLL-FRONTENAC OIL COMPANY  
Limited



*Fourth Annual Report*

for  
Fiscal Year Ending  
JANUARY THIRTY-FIRST  
1932

# McCOLL-FRONTENAC OIL COMPANY LIMITED

1931

« « » »

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 Eastern and Maritime Divisions Marketing*

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   | E. R. PARKINS, K.C. |
| GORDON F. PERRY | J. B. WOODYATT      |
| J. A. WALES     |                     |

## *Fiscal Agents*

NESBITT, THOMSON & COMPANY LIMITED

|                        |                   |
|------------------------|-------------------|
| <i>Transfer Agents</i> | <i>Registrars</i> |
| MONTREAL TRUST CO.     | ROYAL TRUST CO.   |

## *Auditors*

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

*Head Office of the Company*  
ROYAL BANK BUILDING  
MONTREAL - CANADA



# McCOLL-FRONTENAC OIL COMPANY

## Limited

### TO THE SHAREHOLDERS:

Your Directors have pleasure in submitting herewith your Company's fourth annual report, together with Balance Sheet as at January 31st, 1932, and Profit and Loss Account for the twelve months period ending on that date.

Total profits from operations and income from investments amounted to \$3,370,186.44, as compared with \$2,449,546.25 for the previous year, an increase of \$920,640.19.

Current assets amounted to \$5,703,524.66, compared with current liabilities of \$1,150,318.88, giving a net working capital of \$4,553,205.78, as compared with \$4,204,227.84 for the previous year.

Cash and Dominion Government bonds amounted to \$766,728.24, as compared with \$244,779.24 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 \$907,958.14, equivalent to \$1.81 per share on the 500,000 shares of common stock outstanding.

Increased earnings were due to increased sales and to economies effected in methods of refining and transportation, these economies reflecting benefits derived from capital expenditures made during the previous year.

Fixed assets increased by \$478,516.91 during the year and were financed out of earnings.

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 very satisfactory, the Company's business having increased in all departments.

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 23rd, 1932.

# McCOLL-FRONTENAC OIL COMPANY, LIMITED AND SUBSIDIARY COMPANIES

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND SURPLUS ACCOUNT YEAR ENDED 31ST JANUARY, 1932

|  |                               |
|--|-------------------------------|
| Profit from Operations and Income from Investments.....  | \$ 3,370,186.44               |
| DEDUCT:  |                               |
| Bank Interest.....   | 2,900.51                      |
|  | <u>\$ 3,367,285.93</u>        |
| DEDUCT:  |                               |
| Reserve for Depreciation .....   | \$600,000.00                  |
| Provision for Bad and Doubtful Accounts...   | 167,833.02                    |
| Reserve for Contingencies, etc.....  | 384,741.40                    |
| Amortization of Bond Discount .....  | 43,562.66                     |
|  | <u>1,196,137.08</u>           |
|  | <u>\$ 2,171,148.85</u>        |
| DEDUCT ALSO:   |                               |
| Interest on Bonds.....   | 586,311.26                    |
| U.S. Exchange paid and accrued on Bond Interest.....   | 57,086.95                     |
|  | <u>643,398.21</u>             |
| Net Profit for the Year before providing for Income Tax.....   | \$ 1,527,750.64               |
| Provision for Income Tax Year ending 31st January, 1932....  | 146,400.00                    |
|  | <u>\$ 1,381,350.64</u>        |
| Dividends paid on 6% Preferred Stock.....  | 473,392.50                    |
|  | <u>\$ 907,958.14</u>          |
| Dividends paid on Common Shares—Four quarterly dividends of fifteen cents per share up to 15th December, 1931..... | 297,352.20                    |
|  | <u>\$ 610,605.94</u>          |
| ADD:   |                               |
| Surplus Balance at 31st January, 1931.....   | 1,428,537.36                  |
| Surplus Balance at 31st January, 1932.....   | <u><u>\$ 2,039,143.30</u></u> |

# MCCOLL - FRONTENAC AND SUBSIDIARIES

## CONSOLIDATED BALANCE SHEET

### ASSETS

#### CURRENT ASSETS:

|   |               |                 |
|---|---------------|-----------------|
| Cash on Hand and in Bank.....   | \$ 524,228.24 |                 |
| National Service Loan 5% 1936 (Par Value<br>\$250,000.00).....                    | 242,500.00    |                 |
| Other Bonds and Stocks not exceeding<br>Market Value.....                         | 299,550.00    |                 |
| Accounts and Bills Receivable, less Reserve<br>for Bad and Doubtful Accounts..... | 1,363,584.89  |                 |
| Inventories of Merchandise and Supplies..   | 3,273,661.53  |                 |
|   |               | \$ 5,703,524.66 |

|   |              |
|---|--------------|
| INVESTMENTS IN AND ADVANCES TO AFFILIATED COMPANIES<br>AND LOANS AND MORTGAGES TO CUSTOMERS (less Reserve) .. | 1,040,102.14 |
|---|--------------|

#### DEFERRED CHARGES:

|   |               |            |
|---|---------------|------------|
| Insurance, Taxes and Other Prepaid Ex-<br>penses..... | \$ 207,459.41 |            |
| Bond Discount and Expense.....                        | 737,089.92    |            |
|   |               | 944,549.33 |

#### FIXED ASSETS:

|  |                  |               |
|--|------------------|---------------|
| Land, Buildings and Equipment at Cost ...  | \$ 16,802,196.71 |               |
| Premiums paid on Purchase of Subsidiary<br>Companies' Capital Stocks, Trade Marks,<br>Processes and Goodwill—<br>Balance as at 31st January, 1930..... | 7,685,316.87     |               |
|  |                  | 24,487,513.58 |
| Cost of Common Shares of Company purchased under By-Law<br>"D" for Sale to Employees.....  |                  | 307,764.78    |

\$32,483,454.49

#### APPROVED ON BEHALF OF THE BOARD:

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



# OIL COMPANY LIMITED RY COMPANIES

SHEET JANUARY 31st, 1932

## LIABILITIES

### CURRENT LIABILITIES:

|  |    |            |                 |
|--|----|------------|-----------------|
| Accounts Payable and Accrued Liabilities.. | \$ | 776,434.35 |                 |
| Bond Interest Payable.....                 |    | 215,160.00 |                 |
| Income Tax Reserve.....                    |    | 158,724.53 |                 |
|  |    |            | \$ 1,150,318.88 |

|                                    |  |  |            |
|------------------------------------|--|--|------------|
| DEFERRED CONTRACT LIABILITIES..... |  |  | 271,297.79 |
| MORTGAGES PAYABLE.....             |  |  | 350,760.14 |

### RESERVES:

|                              |    |              |              |
|------------------------------|----|--------------|--------------|
| For Depreciation.....        | \$ | 1,931,403.78 |              |
| General and Contingency..... |    | 263,730.60   |              |
|                              |    |              | 2,195,134.38 |

|   |  |  |              |
|---|--|--|--------------|
| FIRST MORTGAGE COLLATERAL TRUST CONVERTIBLE 6% BONDS due 1949 (Authorized Issue \$25,000,000.00)..... |  |  | 9,780,000.00 |
|---|--|--|--------------|

### \*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.....  | 2,192 "       |    | 219,200.00   |
|  | 79,861        | \$ | 7,986,100.00 |
| Deduct: Held for Redemption.....   | 1,793 "       |    | 179,300.00   |
|  | 78,068 "      |    | 7,806,800.00 |

### COMMON SHARES AND SURPLUS:

|   |  |    |               |
|---|--|----|---------------|
| Common Shares:  |  |    |               |
| Authorized 750,000 shares without Nominal or par value. |  |    |               |
| Issued 500,000 shares.....                              |  | \$ | 8,890,000.00  |
| Surplus:  |  |    |               |
| Balance at 31st January, 1932.....                      |  |    | 2,039,143.30  |
|   |  |    | 10,929,143.30 |

NOTE: A dividend of Fifteen Cents per share on the Common shares has been declared payable 15th March, 1932.

\$32,483,454.49

\*Redeemable at \$105 on any dividend date after 30 days' notice.

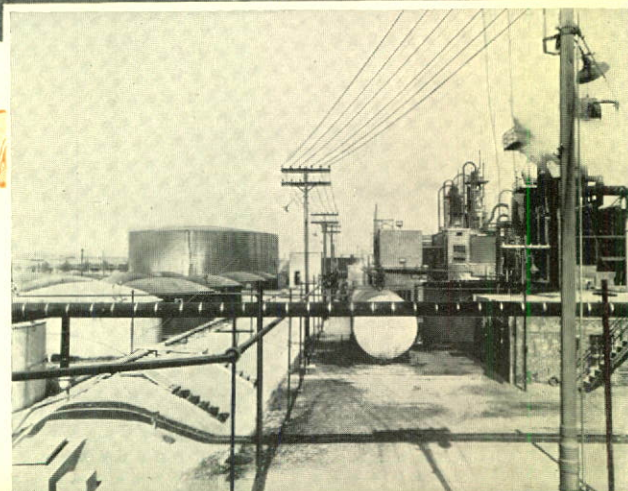
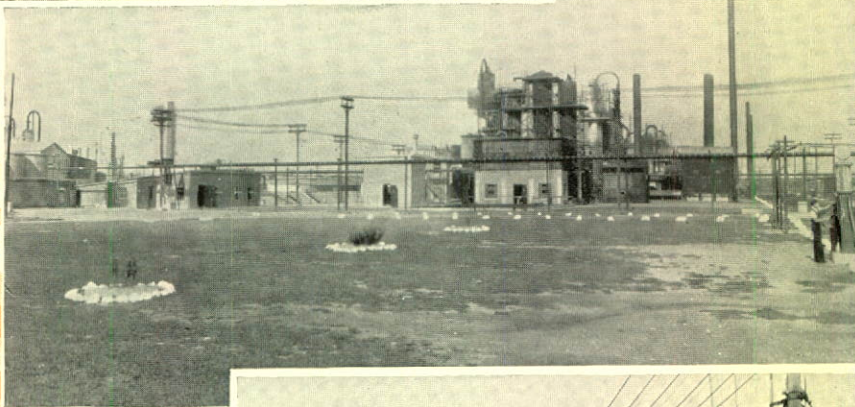
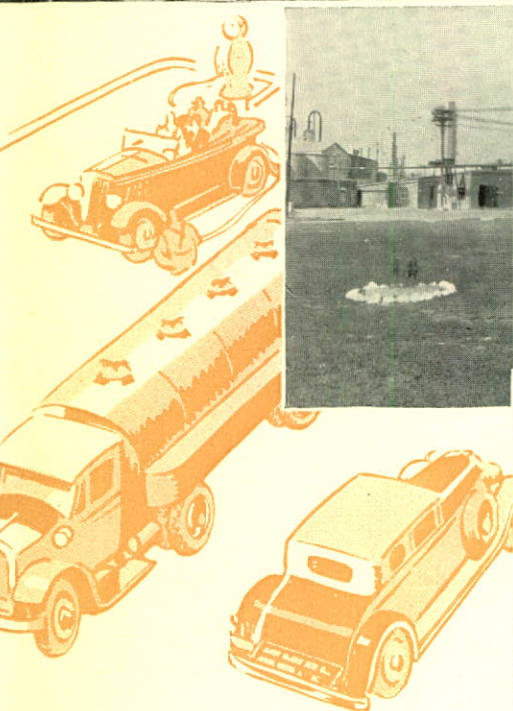
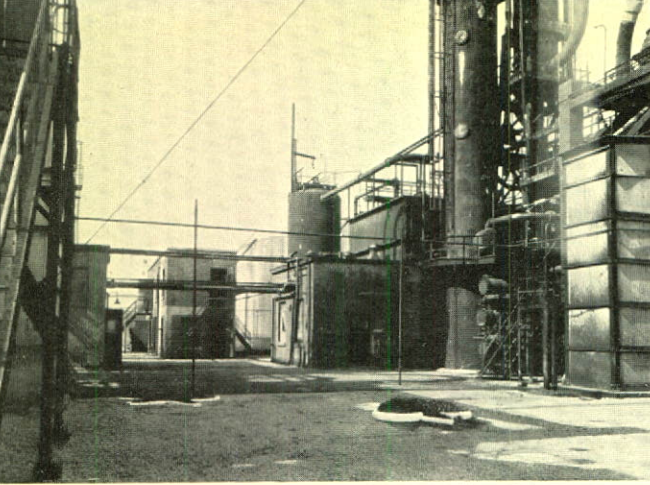
### AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of McColl-Frontenac Oil Company Limited and its Subsidiary Companies for the year ending 31st January, 1932, and have received all the information and explanations which we have required; and we certify 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 31st January, 1932, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

P. S. ROSS & SONS,  
PRICE, WATERHOUSE & CO.,  
Auditors.

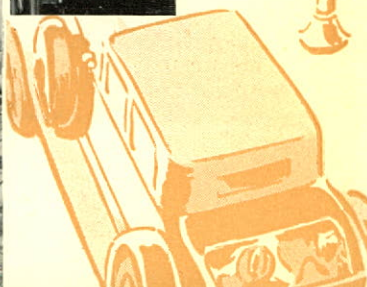
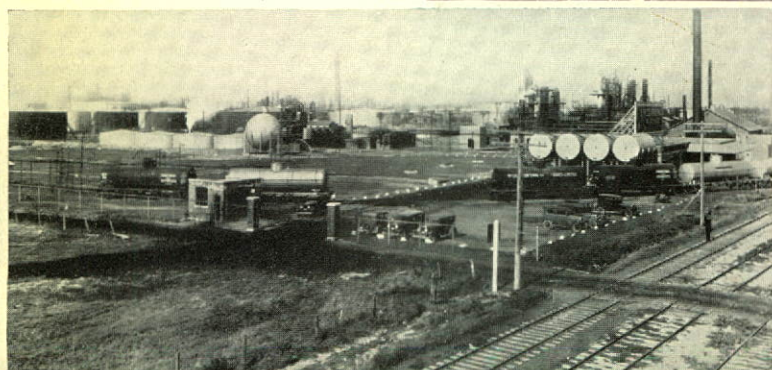
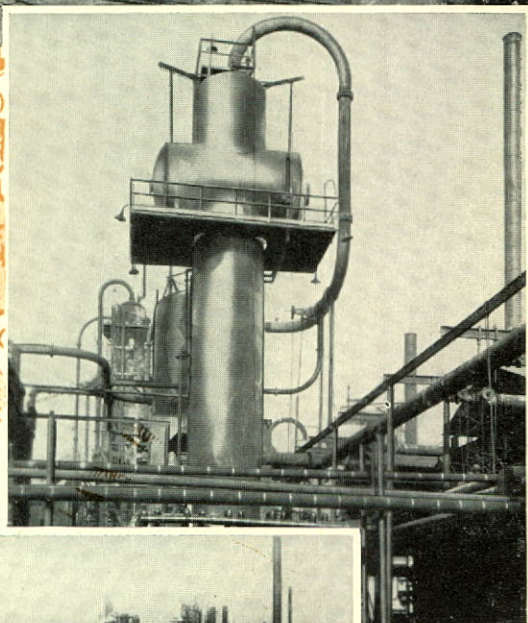
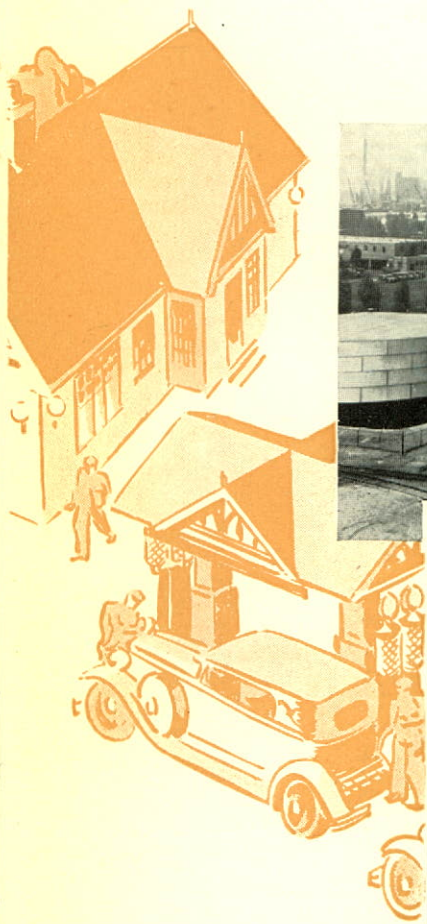
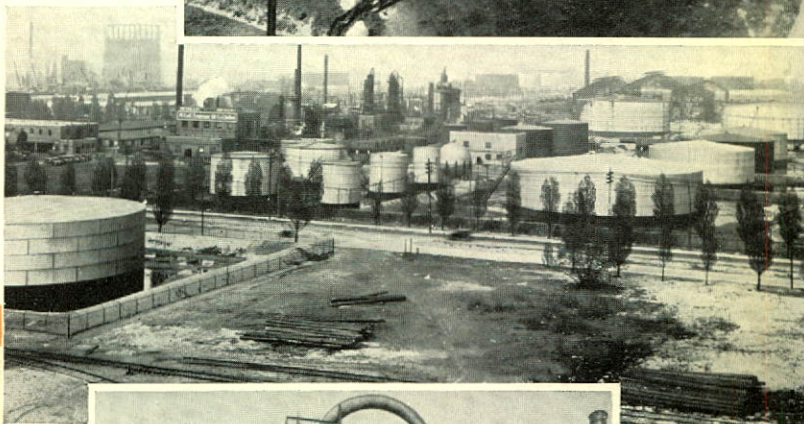
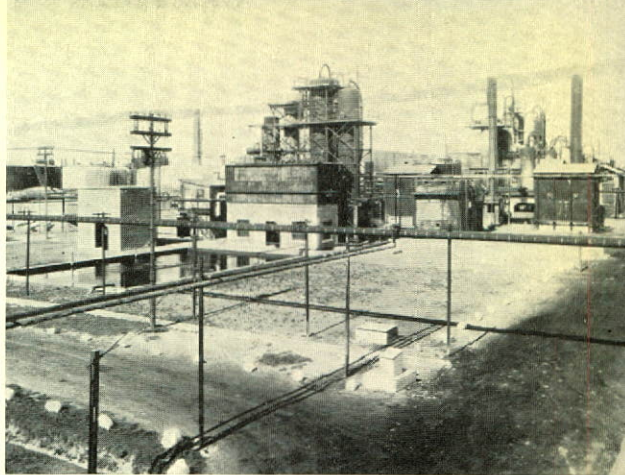
MONTREAL, 12th April, 1932.

REFINERY  
Representative Views of  
at the Toronto and

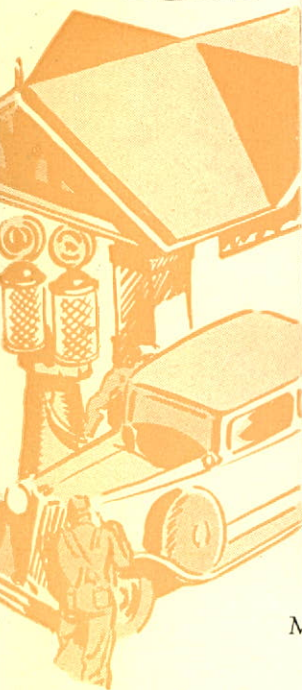
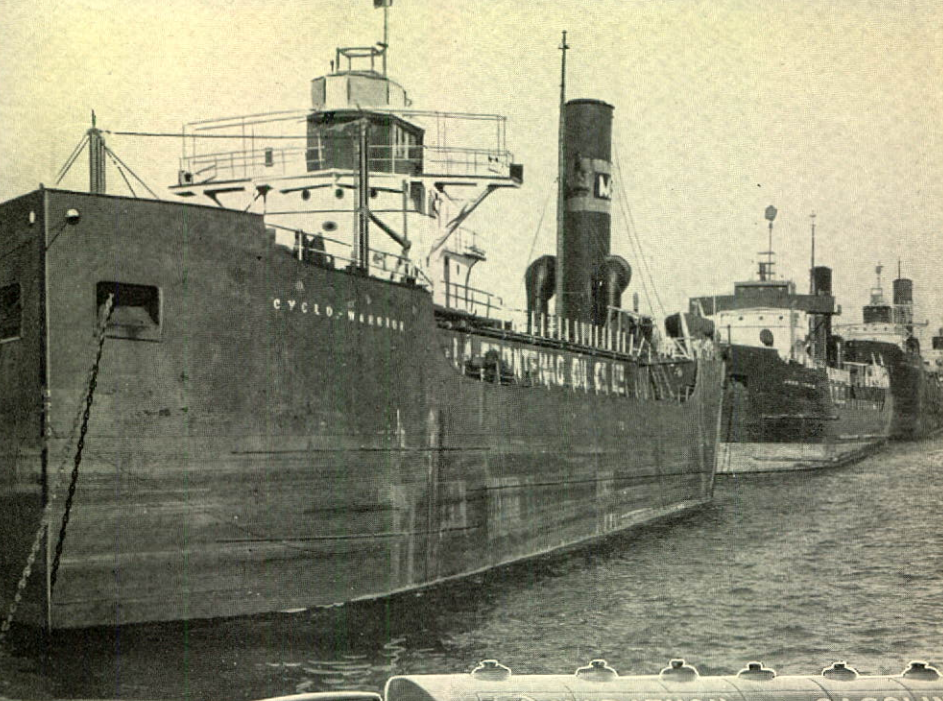




FACILITIES  
Various Units of Operations  
Montreal Refineries.

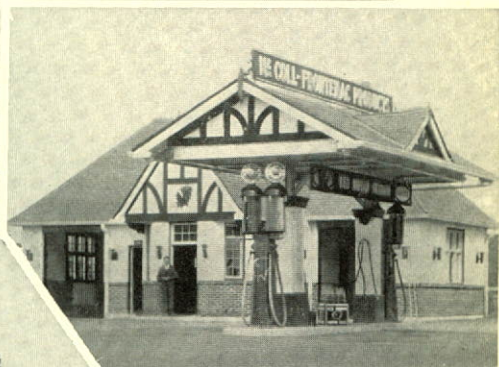
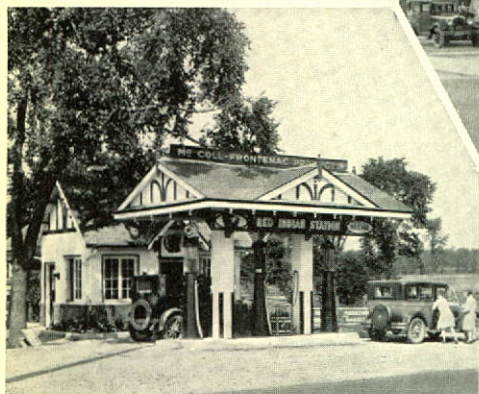






McColl-Frontenac transportation on land and water. AT TOP, Lake Fleet at winter quarters, Toronto Harbour. CENTRE, 2,500 gallon truck operated out of Toronto. LOWER, Typical string of tank cars.





Typical McColl-Frontenac Service Stations Located in various parts of Canada.

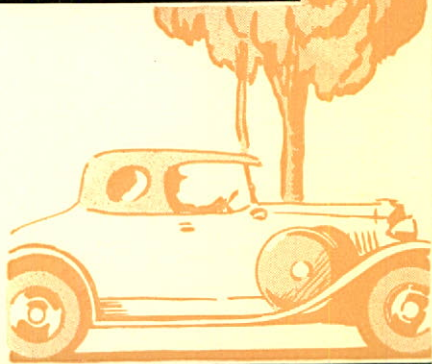
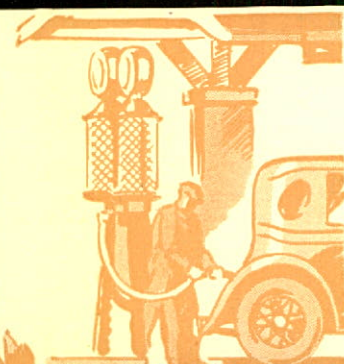




NIGHT SCENES OF  
SERVICE STATIONS

UPPER: Decarie Boulevard and  
Queen Mary Road, Mont-  
real, Que.

LOWER: Broadway and Osborne  
Street, Winnipeg, Man.









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