

Building Products

Limited

Annual Report
1941

For the year ending December 31st.

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BUILDING PRODUCTS LIMITED

THE Directors have pleasure in presenting to the Shareholders their Annual Report with the Company's Balance Sheet, Statement of Profit and Loss and Surplus as at December 31st, 1941.

BUILDING PRODUCTS LIMITED

THE Directors have pleasure in presenting to the shareholders their Annual Report with the Company's Balance Sheet and statement of Profit and Loss as at December 31, 1941.

Final Net Profit was \$475,755.23 or \$0.98 per Capital Share compared with a Net Profit of \$413,843.50 or \$0.86 per share in 1940.

Reserves have been provided out of the years earnings for depreciation of properties at full Government rates, and adequate reserves for Bad Debts have been carried forward in respect to Trade Accounts, and also for Contingent Liability for Customers' Notes Discounted. In addition a special reserve of \$50,000 has been set apart for future depreciation in inventory values.

Dominion Income and Excess Profits Taxes equal \$1.02 per share for 1941, compared to \$0.91 per share, including Provincial Income Tax, in 1940.

All of your properties are being maintained in a satisfactory state of repair. The value of land, buildings, and equipment was increased by the net amount of \$197,294.68, but no further major capital expenditures are, at the present time, contemplated. The land and buildings on Midland Street, Winnipeg, which were acquired in 1934 for the manufacture of roofings, have been sold. The machinery and equipment will soon be moved from Midland Street into new buildings which are now under construction at the site of the recently constructed Paper Mill on Point Douglas Avenue. In the future, therefore, all of our present manufacturing operations in Western Canada will be consolidated at one location under centralized administration.

Since 1933 we have been producing at Verona, Ontario, the rock granules of which we use large supplies in the manufacture of Asphalt Shingles and Roofings. These operations have recently been transferred from Verona to Madoc, Ontario, at

BUILDING PRODUCTS LIMITED

which place we now have a most modern crushing plant and access to a much larger supply of suitable base rock.

While the total volume of new construction may be less during the coming year, the falling off, is likely to be least in the low cost field, for which type of construction our products are particularly well suited. It seems reasonable to expect that present home owners will be active in fixing up their properties, and for such repairing and remodelling of existing buildings there is a substantial market for your Company's products. Black-out regulations have created a new market for many of our products. These are applied to, or over, windows, skylights, and other openings to shut in artificial light.

We wish to express our sincere appreciation to all employees for the fine spirit of co-operation shown by them throughout the year.

On behalf of the Board of Directors,

W. R. McNEIL,

President.

Montreal, February 5th, 1942.

BUILDING PRODUCTS LIMITED

(INCORPORATED UNDER THE LAWS OF THE DOMINION OF CANADA)

BALANCE SHEET

DECEMBER 31ST, 1941

ASSETS	
CURRENT AND WORKING ASSETS:	
Inventories of Stocks on hand as certified by the Management, valued at the lower of cost or market price	\$ 701,538.67
Trade Accounts Receivable (less Bad Debt Reserve)	538,288.69
Other Accounts Receivable	18,061.52
Dominion Government Bonds at cost (less Reserve) (Market Value December 31st, 1941—\$977,762.50)	970,755.00
Cash in Bank and on Hand	403,573.17
Insurance Unexpired and Taxes Prepaid, etc.	44,971.43
	\$ 2,677,188.48
PROPERTY ACCOUNT:	
Land, Buildings and Equipment, purchase price at date of acquisition in 1926, plus subsequent additions (net) at cost	2,228,544.63
Less: Reserve for Depreciation	1,165,024.32
	1,063,520.31

\$ 3,740,708.79

LIABILITIES	
CURRENT LIABILITIES:	
Accounts Payable and Accrued Liabilities.....	\$ 328,845.05
Provision for Dominion Income and Excess Profits and Other Taxes	538,468.28
	\$ 867,313.33
RESERVE FOR CONTINGENCIES	268,158.37
RESERVE FOR FUTURE DEPRECIATION IN INVENTORY VALUES	50,000.00
CAPITAL AND SURPLUS:	
Represented by 483,384 shares without nominal or par value, being all of the authorized issue	\$ 1,483,110.00
NOTE: Of the above shares 3,684 are held by Montreal Trust Company for exchange of 921 old Class A shares.	
EARNED SURPLUS:	
Balance as per statement attached	1,072,127.09
	2,555,237.09

\$ 3,740,708.79

Approved on behalf of the Board:
 (Signed) W. R. McNeil, Director.
 " Winthrop Brainerd, Director.

NOTE:—
 Contingent Liability in respect of
 Customers' Notes Discounted \$108,330.33

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of Building Products Limited for the year ending December 31st, 1941, and have obtained all the information and explanations which we have required; and we report that, in our opinion, the above Balance Sheet at December 31st, 1941 is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, February 6th, 1942.

PRICE, WATERHOUSE & CO.,
Auditors.

BUILDING PRODUCTS LIMITED

STATEMENT OF PROFIT AND LOSS AND EARNED SURPLUS

YEAR ENDING DECEMBER 31ST, 1941

Net Profit from Operations for the year ending December 31st, 1941, before taking into account the items shown below		\$ 1,148,228.50	
ADD: Interest on Investments		19,038.46	
		\$ 1,167,266.96	
DEDUCT: Provision for Depreciation.....	\$ 98,538.02		
Directors' Fees	3,280.00		
Legal Fees	2,904.19		
Remuneration to Executive Officers.....	91,789.52		
Provision for Dominion Income and Excess Profits Taxes	495,000.00	691,511.73	
		\$ 475,755.23	
Net Profit for the year after providing for Income Taxes thereon		\$ 475,755.23	
Earned Surplus Balance at December 31st, 1940		1,033,079.06	
		\$ 1,508,834.29	
DEDUCT: Dividends declared and paid.....	\$ 386,707.20		
Provision for Future Depreciation in Inventory Values	50,000.00	436,707.20	
		\$ 1,072,127.09	
Earned Surplus Balance at December 31st, 1941		\$ 1,072,127.09	

Building Products Limited

HEAD OFFICE — MONTREAL

BOARD OF DIRECTORS

PHILIP R. ALLEN	DANIEL P. HATCH
WINTHROP BRAINERD	GEORGE H. MONTGOMERY, K.C.
CLARENCE P. COWAN	GEORGE M. MCKEE
ROY C. CROOKER	WILLIAM R. McNEIL

HILTON R. TUDHOPE

OFFICERS

<i>Chairman of the Board</i>	PHILIP R. ALLEN
<i>President</i>	WILLIAM R. McNEIL
<i>Vice-President</i>	CLARENCE P. COWAN
<i>Vice-President</i>	DANIEL P. HATCH
<i>Secretary-Treasurer</i>	ROY C. CROOKER

Transfer Agent MONTREAL TRUST CO.,
Toronto, Ont. — Montreal, Que.

Registrar NATIONAL TRUST CO. LIMITED,
Toronto, Ont. — Montreal, Que.

BUILDING PRODUCTS LIMITED

Makers of

Asphalt Shingles and Roofings of many types and colors which are suitable for every new or old building.

Sidings which make old buildings look new and make new buildings more attractive. In each case they provide insulation against cold and heat.

Insulation for new buildings and for the modernization of existing residences.

Asphalt Composition Tiles for floors are available in most attractive colors and are of unusual durability.



SALES OFFICES—Montreal, Toronto, Hamilton and Winnipeg.

PAPER MILLS—Pont Rouge, Que. and Winnipeg.

ROOFING FACTORIES—Montreal, Hamilton, Winnipeg.

QUARRIES—Madoc, Ont.

