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A N N U A L R E P O R T
CANADIAN OIL COMPANIES,
LIMITED

FOR THE FISCAL YEAR
ENDING DECEMBER 31st

1947

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ANNUAL REPORT

CANADIAN OIL COMPANIES,
LIMITED

FOR THE FISCAL YEAR
ENDING DECEMBER 31st,
1947

CANADIAN OIL COMPANIES, LIMITED

1947



OFFICERS

JOHN IRWIN, MONTREAL, *President*

P. A. THOMSON, MONTREAL GORDON F. PERRY, TORONTO
Vice-President *Vice-President*

A. C. MORRIS, TORONTO, *Vice-President and General Manager*

R. T. EYRE, TORONTO, *Vice-President — Operations*

REG. C. WEST, TORONTO, *Vice-President — Sales*

DOUGLAS ROBINSON, TORONTO, *Secretary*

C. W. WALKER, TORONTO, *Treasurer*

DIRECTORS

ARNOLD ASHTON

AUBREY DAVIS

JOHN IRWIN

JOHN W. MCKEE

GORDON F. PERRY

W. HAROLD REA

E. G. SMITH

W. DENT SMITH

P. A. THOMSON

Fiscal Agents:

NESBITT, THOMSON & COMPANY, LIMITED

Transfer Agents and Registrars:

THE TORONTO GENERAL TRUSTS CORPORATION

Auditors:

THORNE, MULHOLLAND, HOWSON & McPHERSON

Head Office of the Company:

TERMINAL BUILDING,
TORONTO, CANADA

CANADIAN OIL COMPANIES, LIMITED

TO THE SHAREHOLDERS:

YOUR DIRECTORS submit herewith the 39th Annual Report of your Company and its subsidiary, White Rose Limited, for the year ending December 31st, 1947. This Report contains the Balance Sheet as at December 31st, 1947, together with Profit and Loss Account and Surplus Account, all in accordance with the report of your Company's auditors, Messrs. Thorne, Mulholland, Howson & McPherson.

Net Profit, before providing for Depreciation, Bond Interest, Employees' Pension Fund and Income and Excess Profits Taxes amounted to \$2,450,052.01 as compared with \$2,707,544.32 for the preceding year—a decrease of \$257,492.31.

After providing for the above items, the Net Profit for the year amounted to \$731,589.36 as against \$854,348.69 for the preceding year—a decrease of \$122,759.33.

Surplus Account as at December 31st, 1947, totalled \$1,972,298.83 as against \$1,802,786.17 for the year ending December 31st, 1946—an increase of \$169,512.66.

Current Assets amount to \$6,923,248.85 compared with Current Liabilities of \$2,952,574.87 resulting in a net working capital of \$3,970,673.98 as compared with \$3,347,659.73 for the previous year.

Capital Assets, i.e., Real Estate, Buildings, Plant and Equipment now amount to \$18,986,909.76 as against \$15,564,929.67 for the previous year—an increase of \$3,421,980.09.

On June 1st, 1947, your Company acquired a six storey office building at the corner of Richmond and Simcoe Streets, Toronto, to house your Head Office and Division Office staffs. See page 5 of this report. A wholly owned subsidiary—"White Rose Limited", was incorporated to own and operate this building.

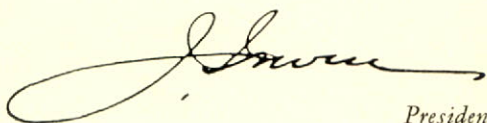
By Supplementary Letters Patent issued to your Company, bearing date 31st day of March, 1947, 50,000 Preference Shares of the par value of \$100.00 each, issuable in series, were authorized. Ten thousand of these shares were issued and designated as Cumulative Redeemable Preference Shares, 4% Series, and the capital structure of the Company is now as shown on the attached Balance Sheet.

At the same time, it was decided to take advantage of the prevailing lower interest rates obtaining and issue $3\frac{1}{4}\%$ First Mortgage Bonds in the amount of \$4,500,000.00.

By this means your Company was able to retire the outstanding 4% First Mortgage Bonds, Series A, and provide additional funds to the extent of \$3,327,500.00.

Your Directors again wish to express their appreciation of the loyal and efficient service rendered by the officers, staff and employees of your Company throughout the year.

On behalf of the Board,

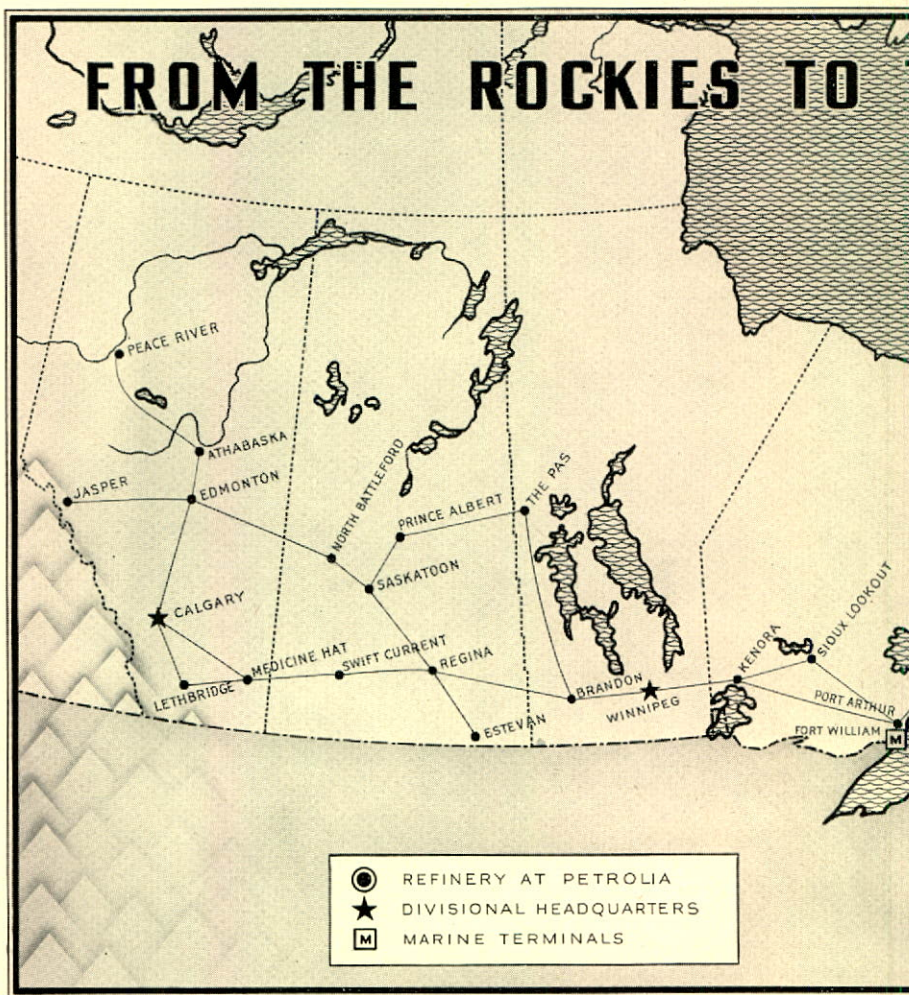
A handwritten signature in cursive script, appearing to read 'J. J. ...', written in black ink.

President.



NEW HEAD OFFICE CANADIAN OIL COMPANIES, LIMITED

Located at the northwest corner of Richmond and Simcoe Streets, in down-town Toronto, the impressive building shown above will house both the Head Office and Toronto Division staffs of your Company. Toronto Division is already occupying its quarters in the building. Head Office personnel will move there shortly.



When the above map was shown in the 1939 Annual Report, your company

NOW... OVER 3750

During the same period the volume of merchandise sold

SALES 1939



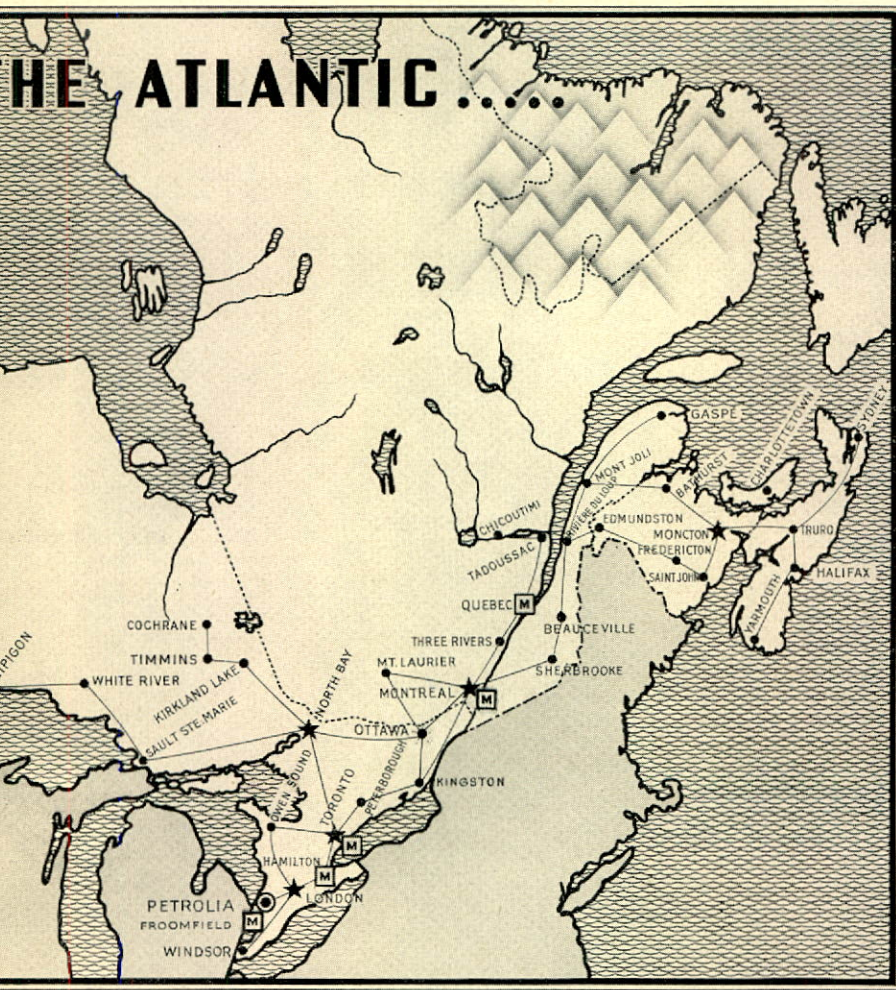
SALES 1947



6 MARINE TERMINALS
 Others in the making.

CANADIAN OIL CO
 WHITE ROSE GASOLINES . . .

"The pick



had some 2,200 retail outlets. By comparison, in the same area, there are

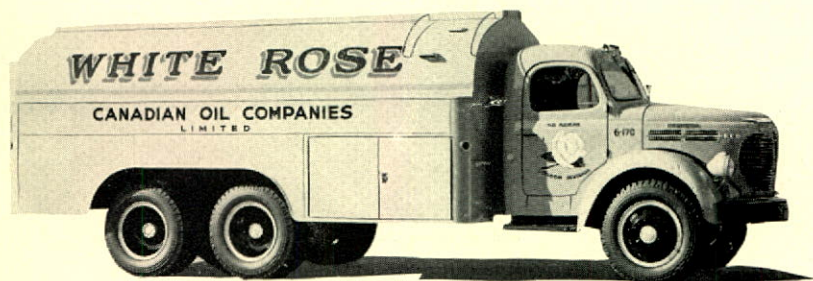
RETAIL DEALERS

as illustrated by the graph below, has increased greatly.

MPANIES, LIMITED
 . . WHITE ROSE MOTOR OIL
 them all!"

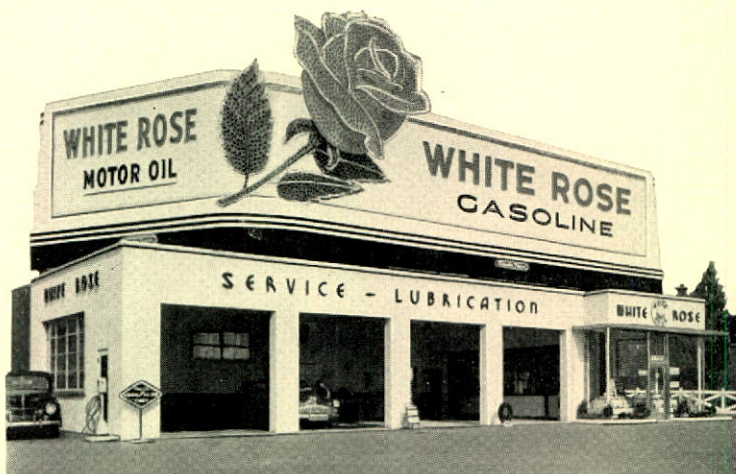
COMPLETE REFINERY
 at PETROLIA, Ontario.

S I G N S O F G R O W T H



Above is shown one of your Company's new tank trucks.

The new Canadian Oil Companies' service station on the Circle at De-carie Blvd. and Cote de Liesse, Montreal.



The tanker JOHN IRWIN passing under the Sarnia-Port Huron bridge en route to your company's marine terminal at Fort William.

CANADIAN OIL COMPANIES, LIMITED
AND ITS WHOLLY OWNED SUBSIDIARY
WHITE ROSE LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
(Year ended December 31, 1947)

Net Profit for year before undermentioned items	\$2,450,052.01
 DEDUCT:	
Depreciation on Buildings, Plant and Equipment	\$ 945,504.68
Interest on First Mortgage Bonds	126,657.97
Payment re Employees' Pension Fund	70,000.00
	1,142,162.65
Net Profit before Undermentioned Taxes	1,307,889.36
Provision for Income and Excess Profits Taxes	576,300.00
	\$ 731,589.36
NET PROFIT FOR YEAR	<u><u>\$ 731,589.36</u></u>

CONSOLIDATED STATEMENT OF SURPLUS
(Year ended December 31, 1947)

Surplus, December 31, 1946	\$1,802,786.17
<i>Add:</i> Net Profit for year	731,589.36
	\$2,534,375.53
 DEDUCT:	
Dividends on 8% Preference Shares	\$ 160,000.00
Dividends on 5% Preference Shares	50,000.00
Dividends on Preference Shares, 4% Series	28,876.70
Dividends on Common Shares	323,200.00
	562,076.70
SURPLUS, DECEMBER 31, 1947	<u><u>\$1,972,298.83</u></u>

CANADIAN OIL C

AND ITS WHOLLY
WHITE RO
CONSOLIDATED
DECEMBER

ASSETS

CURRENT ASSETS:

Cash on hand and in banks	\$ 902,155.40
Accounts and bills receivable after provision for doubtful accounts	1,702,199.88
Inventory of merchandise and supplies as determined and certified by the management and valued on the company's usual basis which in total does not exceed laid-down cost or fair market value, whichever was the lower	4,318,893.57
	\$ 6,923,248.85
DEFERRED ACCOUNTS RECEIVABLE, MORTGAGES AND SUNDRY INVESTMENTS	1,407,324.58
INVESTMENT IN AND ADVANCES TO SUBSIDIARY COMPANIES NOT CONSOLIDATED	49,585.83
DEFERRED CHARGES TO OPERATIONS INCLUDING REFINANCING EXPENSES	414,540.27
REFUNDABLE PORTION OF EXCESS PROFITS TAX	272,702.36
CAPITAL ASSETS:	
Real estate, buildings, plant and equipment	18,986,909.76
GOODWILL	1.00
	\$28,054,312.65

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the above Consolidated Balance Sheet of Canadian Oil Companies, Limited and its subsidiary White Rose Limited as of December 31, 1947, and of the Consolidated Statements of Profit and Loss and Surplus for the year ended on that date. In connection therewith we examined or tested the accounting records and other supporting evidence and made a general review of the accounting methods and of the operating and income accounts for the year but did not make a detailed audit of the transactions.

COMPANIES, LIMITED

OWNED SUBSIDIARY

OF THE COMPANIES LIMITED

BALANCE SHEET

December 31, 1947

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accrued charges
(including sales and gasoline taxes
payable January, 1948)..... \$2,529,985.28

Provision for income and excess profits
taxes..... 360,089.59

Dividends payable January 2, 1948..... 62,500.00

DEFERRED LIABILITIES:

3¼ Percent Sinking Fund First Mortgage
Bonds maturing April 1, 1962..... 4,500,000.00

Mortgages and purchase monies payable
and deferred rentals..... 657,913.31

RESERVE FOR DEPRECIATION ON CAPITAL ASSETS..... 5,157,913.31

9,450,593.64

RESERVE FOR FUTURE DEPRECIATION IN INVENTORY VALUES as provided for in Section 6(1)(b) of the Excess Profits Tax Act..... 180,000.00

CAPITAL STOCK:

Authorized:

20,000 8% cumulative preference shares,
par value \$100.00 each.

10,000 5% cumulative redeemable preference shares,
par value \$100.00 each.

50,000 cumulative preference shares, par
value \$100.00 each, issuable in series.

750,000 common shares of no par value.

Issued:

20,000 8% cumulative preference shares 2,000,000.00

10,000 5% cumulative redeemable preference shares..... 1,000,000.00

10,000 4% series cumulative redeemable preference shares..... 1,000,000.00

404,000 common shares..... 4,340,932.00

SURPLUS:

Earned surplus..... 1,699,596.47

Deferred surplus re refundable tax..... 272,702.36

1,972,298.83

\$28,054,312.65

We report that in our opinion the above Consolidated Balance Sheet and the related Statements of Profit and Loss and Surplus are properly drawn up so as to exhibit a true and correct view of the state of the Companies' affairs as of December 31, 1947 and the results of their operations for the year ended on that date, according to the best of our information and the explanations given us and as shown by the books of the Companies. All our requirements, as auditors, have been complied with.

THORNE, MULHOLLAND, HOWSON & McPHERSON,

Toronto, February 18, 1948.

Chartered Accountants.

PRODUCTS

MOTOR FUELS

White Rose Ethyl
White Rose No-Knock
Red Seal
Diesel Fuel Oil
Avgas

MOTOR OILS

White Rose
En-Ar-Co
National
Dursol "D"
Avoil



LUBRICATING AND INDUSTRIAL OILS

Black Oils
Car Oils
Castor Machine Oils
Compressor Oils
Crusher Oils
Cutting Oils
Cylinder Oils
Dynamo Oils
Electric Motor Oils
Engine Oils
Form Oils
Gas Engine Oils
Harness Oils
Ice Machine Oils

Leather Oils
Marine Oils
Process Oils
Separator Oils
Soluble Oils
Spindle Oils
Tempering Oils
Textile Oils
Thread Cutting Oils
Tractor Oils
Transformer Oils
Turbine Oils
White Oils
Wool Oils



GREASES

White Rose Automotive
White Rose Ball Bearing
White Rose Brick
White Rose Diamond Drill
White Rose Gear Shield
White Rose Graphite Cup
White Rose High Temperature
White Rose Mine Car
White Rose Semi-Fluid
White Rose Sponge
White Rose Yarn
Black Beauty Axle

SPECIALTIES

White Rose Belt Dressing
White Rose D.D.T. Fly Spray
White Rose D.D.T. Barn Spray
White Rose D.D.T. Surface Spray
White Rose Handy Oil
White Rose Linseed Soap
White Rose Liquid Soap
White Rose Livestock Spray
White Rose Neatsfoot Oil
White Rose Rock Drill Lubricant
White Rose Solv
White Rose Tune



ANTI-FREEZE

White Rose (Ethylene Glycol)
Hot Shot (Alcohol)

KEROSENE

Silverlight

