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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

1946





ANNUAL REPORT

CANADIAN OIL COMPANIES,
LIMITED

FOR THE FISCAL YEAR
ENDING DECEMBER 31st,
1946

CANADIAN OIL COMPANIES, LIMITED

1946



OFFICERS

JOHN IRWIN, MONTREAL, *President*

P. A. THOMSON, MONTREAL
Vice-President

GORDON F. PERRY, TORONTO
Vice-President

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

H. F. HOECKER, TORONTO, *Secretary*

C. W. WALKER, TORONTO, *Treasurer*

REG. C. WEST, TORONTO, *General Sales Manager*

DIRECTORS

ARNOLD ASHTON

AUBREY DAVIS

H. F. HOECKER

JOHN IRWIN

JOHN W. McKEE

GORDON F. PERRY

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 38th Annual Report of your Company for the year ending December 31st, 1946. This Report contains the Balance Sheet as at December 31st, 1946, 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 \$2,707,544.32 as compared with \$1,921,558.85 for the preceding year—an increase of \$785,985.47.

After providing for the above items, the Net Profit for the year amounted to \$854,348.69 as against \$486,867.94 for the preceding year—an increase of \$367,480.75.

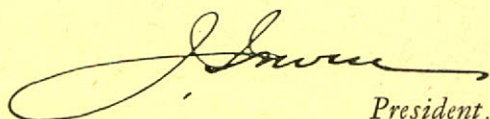
Surplus Account as at December 31st, 1946, totalled \$1,802,786.17 as against \$1,475,637.48 for the year ending December 31st, 1945—an increase of \$327,148.69.

Current Assets amount to \$6,502,701.16 compared with Current Liabilities of \$3,155,041.43 resulting in a net working capital of \$3,347,659.73 as compared with \$4,810,936.35 for the previous year.

Capital Assets, i.e. Real Estate, Buildings, Plant and Equipment, now amount to \$15,564,929.67 as against \$13,457,395.58 for the previous year—an increase of \$2,107,534.09.

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,



President.

CANADIAN OIL CO.

BALANCE SHEET

(DECEMBER 31, 1946)

ASSETS

CURRENT ASSETS:

Cash on hand and in banks.....	\$	832,818.99
Accounts and bills receivable after provision for doubtful accounts.....		1,354,298.56
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.....		4,315,583.61
		\$ 6,502,701.16
DEFERRED ACCOUNTS RECEIVABLE, MORTGAGES AND SUNDRY INVESTMENTS.....		831,393.57
INVESTMENT IN AND ADVANCES TO SUBSIDIARY COMPANIES.....		42,855.75
DEFERRED CHARGES TO OPERATIONS INCLUDING REFINANCING EXPENSES.....		192,821.08
REFUNDABLE PORTION OF EXCESS PROFITS TAX.....		272,702.36
CAPITAL ASSETS:		
Real estate, buildings, plant and equipment.....		15,564,929.67
GOODWILL.....		1.00
		\$23,407,404.59

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the above balance sheet of Canadian Oil Companies, Limited as at December 31, 1946 and of the profit and loss and surplus accounts 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.

All our requirements as auditors have been complied with and we report that in our opinion the above balance sheet and the related statements of

COMPANIES, LIMITED

SHEET

31, 1946)

LIABILITIES

CURRENT LIABILITIES:

Accounts payable and accrued charges (including sales and gasoline taxes payable January, 1947).....	\$2,480,690.44	
Provision for income and excess profits taxes after payments on account.....	621,850.99	
Dividends payable January 2, 1947.....	52,500.00	
		<u>\$ 3,155,041.43</u>

DEFERRED LIABILITIES:

Four per cent Sinking Fund First Mort- gage Bonds maturing July 2, 1960....	2,000,000.00	
Mortgages and purchase monies payable and deferred rentals.....	215,900.00	
		<u>2,215,900.00</u>

RESERVE FOR DEPRECIATION ON CAPITAL ASSETS.....		8,712,744.99
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RESERVE FOR FUTURE DEPRECIATION IN IN- VENTORY VALUES as provided for in Sec- tion 6(1)(b) of the Excess Profits Tax Act		180,000.00
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CAPITAL STOCK:

Authorized:

8% Cumulative preference stock—
20,000 shares par value \$100.00 each:
5% Cumulative preference stock—
20,000 shares par value \$100.00 each:
Common stock—750,000 shares, no par
value:

Issued:

8% Preference stock—20,000 shares...	2,000,000.00	
5% Preference stock—10,000 shares...	1,000,000.00	
Common stock—404,000 shares.....	4,340,932.00	
		<u>7,340,932.00</u>

SURPLUS:

Earned surplus.....	1,530,083.81	
Deferred surplus re refundable tax.....	272,702.36	
		<u>1,802,786.17</u>

\$23,407,404.59

profit and loss and surplus are properly drawn up so as to exhibit, in accordance with accepted principles of accounting consistently maintained by the company during the year under review, a true and correct view of the state of the company's affairs as at December 31, 1946 and the results of its operations for the year then ended according to the best of our information and the explanations given us and as shown by the books of the company.

THORNE, MULHOLLAND, HOWSON & McPHERSON,

Chartered Accountants.

TORONTO, February 19, 1947.

CANADIAN OIL COMPANIES, LIMITED

PROFIT AND LOSS ACCOUNT

(Year ended December 31, 1946)

Net profit for year before undermentioned items.....		\$2,707,544.32
Depreciation on buildings, plant and equip- ment.....	\$758,195.63	
Interest on 4% First Mortgage bonds.....	80,000.00	
Payment re Employees' Pension Fund.....	70,000.00	
	<hr/>	908,195.63
Net profit before undermentioned taxes.....		1,799,348.69
Provision for income and excess profits taxes.....		945,000.00
NET PROFIT FOR YEAR.....		<u><u>\$ 854,348.69</u></u>

SURPLUS ACCOUNT

(Year ended December 31, 1946)

Surplus, December 31, 1945.....		\$1,475,637.48
Net profit for year.....		854,348.69
		<hr/>
		2,329,986.17
Dividends on 8% preference stock.....	\$160,000.00	
Dividends on 5% preference stock.....	50,000.00	
Dividends on common stock, 80c per share.....	317,200.00	
	<hr/>	527,200.00
SURPLUS, DECEMBER 31, 1946.....		<u><u>\$1,802,786.17</u></u>

PRODUCTS

MOTOR FUELS

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

MOTOR OILS

White Rose
En-Ar-Co
National
Diesel
White Rose Aviation



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—Dursol "D"
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

