



**BRITISH AMERICAN BANK NOTE
COMPANY LIMITED**

**ANNUAL
REPORT
1961**

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BRITISH AMERICAN BANK NOTE COMPANY LIMITED

Directors

CHARLES S. BAND
Toronto

G. HAROLD BURLAND, M.C., C.D.
Ottawa

ROSS CLARKSON
Montreal

GORDON FARRELL
Vancouver

Hon. GEORGE B. FOSTER, M.B.E., Q.C.
Montreal

BARRY GERMAN
Ottawa

DUNCAN K. MacTAVISH, O.B.E., Q.C.
Ottawa

A. MURRAY VAUGHAN
Montreal

Mrs. L. M. VAUGHAN
Montreal

RICHARD P. WHITE, O.B.E., V.R.D.
Ottawa

Officers

President

Vice-President and
Comptroller

Vice-President and
General Manager

Asst. General Manager

Secretary-Treasurer

Asst. Secretary-Treasurer

A. MURRAY VAUGHAN

G. HAROLD BURLAND

RICHARD P. WHITE

K. S. SARGENT

W. H. TAYLOR

J. M. BRADY

Toronto Office Manager

Montreal Office Manager

Ottawa Office Manager

GEORGE FOX

R. BROCK YOUNG

R. F. BLANDFORD

Transfer Agent

The Royal Trust Company

Montreal and Toronto

Registrar

Montreal Trust Company

Montreal and Toronto

Auditors

Touche, Ross, Bailey & Smart.

Montreal

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the Shareholders:

Your Directors submit herewith Financial Statements for the year ending December 31, 1961, as submitted by the Company's Auditors, Messrs. Touche, Ross, Bailey & Smart.

Sales for the year were slightly less than the preceding year.

Earnings before Income Taxes for the year 1961 amounted to \$753,776 compared with \$878,702 for the preceding year. Provision for Income Taxes amounted to \$349,528 against \$423,740 in 1960, a reduction of \$74,212. The Net Profit for the year was \$404,248, or \$2.69 per share compared with the 1960 result of \$454,962, or \$3.03 per share.

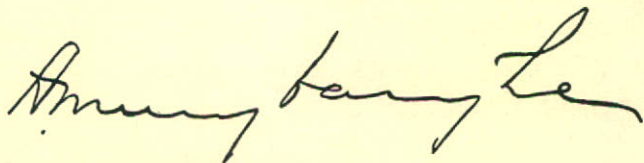
During the year quarterly dividends of 50c per share were paid, with an extra 50c per share in December. Total dividends amounted to \$2.50 per share, the same as paid in the previous year.

The year ended with Current Assets of \$2,255,348 and Current Liabilities at \$213,534. Working Capital of \$2,041,814 was \$85,138 higher than a year ago.

The Company has, as in the past, continued to spend substantial amounts on research projects and the modernization of plant equipment.

Your Directors wish to express to the Officers and Employees of the Company their appreciation for continued loyalty and efficient service.

Submitted on behalf of the Board of Directors

A handwritten signature in cursive script, appearing to read "Arthur F. Bentley". The signature is written in dark ink and is positioned centrally on the page.

President.

February 8, 1962.

BRITISH AMERICAN B LIM

ASSETS

BALANCE SHEET AS A

CURRENT:

Cash on hand and in bank.....	\$	59,760	
Accounts receivable.....			187,535
Investments		1,543,752	
(Quoted market value \$1,539,910)			
Due from employees—subscriptions to Canada Savings Bonds			34,086
Inventories of raw materials, work in process and finished stock, valued at the lower of cost or market and determined by physical count		430,215	\$2,255,348

PREPAID CHARGES.....			35,604
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FIXED:

Building, land, plant, furniture, fixtures, equip- ment and engraved stock.....	3,592,828		
Less: Accumulated depreciation.....	2,703,499	889,329	
			\$3,180,281

Approved on behalf of the Board of Directors:

A. MURRAY VAUGHAN,
Director.

G. HAROLD BURLAND,
Director.

BANK NOTE COMPANY LIMITED

AT DECEMBER 31, 1961

LIABILITIES

CURRENT:

Accounts payable and accrued charges.....	\$ 114,956	
Provision for taxes on profits.....	98,578	\$ 213,534
		<hr/>

NET WORTH:

Capital Stock—Authorized and issued		
150,000 shares of no par value.....	300,000	
Earned surplus as shown by statement attached	2,666,747	2,966,747
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\$3,180,281

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 1961

Profit from operations before deducting the expenses shown below		\$ 905,281
Depreciation on plant, buildings and equipment.....	\$ 150,842	
Legal fees.....	4,382	
Executive remuneration.....	83,692	
Directors' fees.....	9,308	248,224
Net profit from operations.....		657,057
Revenue from investments.....		63,509
Miscellaneous Income.....		33,210
		753,776
Provision for taxes on income.....		349,528
		404,248
Net income transferred to earned surplus.....	\$	404,248

STATEMENT OF EARNED SURPLUS AS AT DECEMBER 31, 1961

Balance at credit—January 1, 1961.....		\$2,637,499
Net income for the year ended December 31, 1961.....		404,248
		3,041,747
Less: Dividends paid on capital stock.....		375,000
		2,666,747
Balance at credit—December 31, 1961.....		2,666,747

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

AUDITOR'S REPORT TO THE SHAREHOLDERS

British American Bank Note Company Limited,
Ottawa, Ontario.

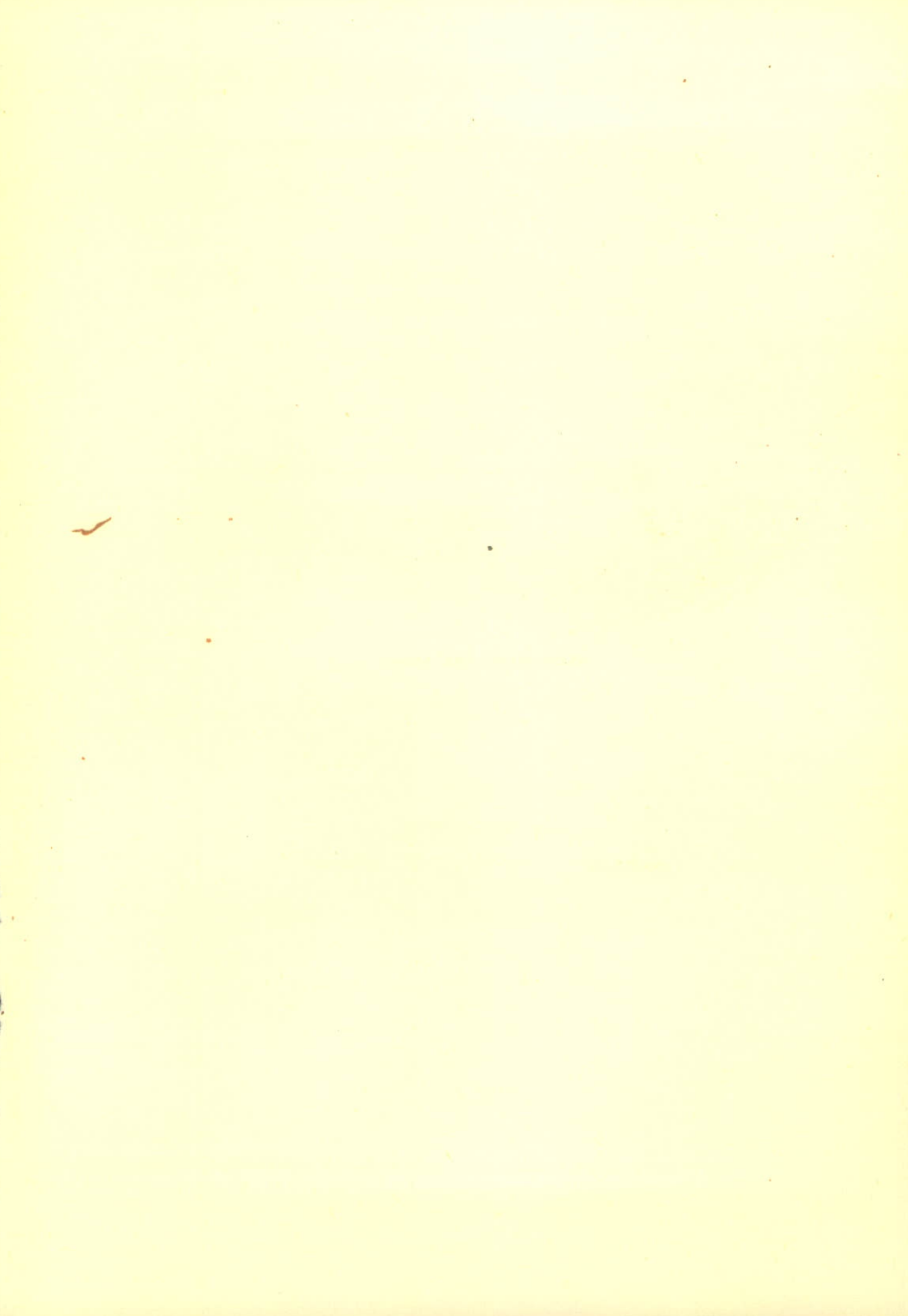
We have examined the Balance Sheet of British American Bank Note Company Limited as at December 31, 1961 and the related statements of income and surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

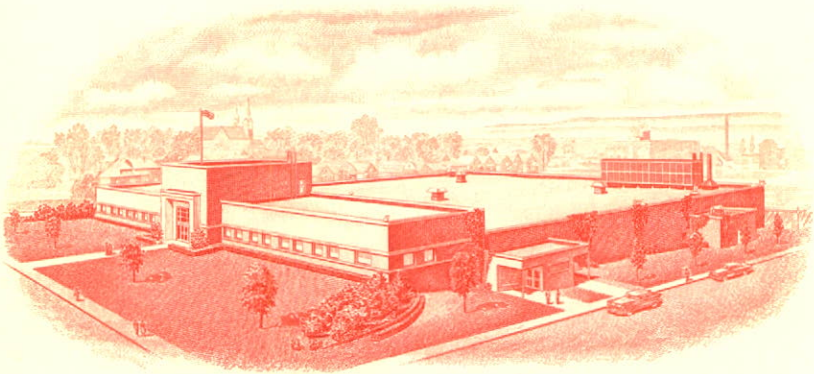
In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Company, the accompanying Balance Sheet and related statements of income and surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company as at December 31, 1961 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

TOUCHE, ROSS, BAILEY & SMART.

Chartered Accountants.

Montreal, Quebec, February 1, 1962.





HEAD OFFICE AND PLANT
OTTAWA

BRANCH OFFICES

MONTREAL

TORONTO