



**BRITISH AMERICAN BANK NOTE
COMPANY LIMITED**

**ANNUAL
REPORT
1960**

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McGILL UNIVERSITY

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

Toronto Office Manager

Montreal Office Manager

Ottawa Office Manager

A. MURRAY VAUGHAN

G. HAROLD BURLAND

RICHARD P. WHITE

K. S. SARGENT

W. H. TAYLOR

J. M. BRADY

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

Ross, Touche & Co.

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, 1960, as submitted by the Company's Auditors, Messrs. Ross, Touche & Co.

While Sales were slightly less than the record achieved in 1959, the total was still somewhat better than in 1958.

Due to the reduced volume and higher depreciation charges Earnings before Income Taxes were moderately lower than a year ago. The 1960 figure was \$878,702 compared with \$929,806, a drop of \$51,104. However, Provision for Income Taxes was lower, viz. \$423,740 against \$473,200 in 1959, a reduction of \$49,460. Net Profit for the year was \$454,962, or \$3.03 per share compared with the 1959 result of \$456,606, or \$3.04 per share.

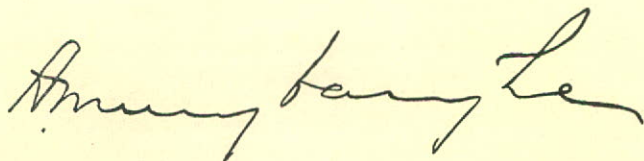
During the year quarterly dividends of 50c per share were paid, with an extra 50c per share in December. Total dividends amounted to \$2.50 per share, the same as paid in the previous year.

The year ended with Current Assets at \$2,308,634 and Current Liabilities at \$351,958. Working Capital at \$1,956,676 was \$72,034 higher than a year ago.

The plant and machinery have been maintained in a high state of repair and substantial amounts have been spent on research projects and additional equipment.

Your Directors express appreciation to the Officers and Employees of the Company for loyal and efficient service.

Submitted on behalf of the Board of Directors

A handwritten signature in cursive script, appearing to read "Arthur F. Le". The signature is written in dark ink on a light-colored background.

President.

February 24, 1961.

BRITISH AMERICAN B

LIM

ASSETS

BALANCE SHEET AS A

CURRENT:

Cash on hand and in bank.....	\$	44,180	
Accounts receivable.....		217,796	
Investments		1,513,085	
(Quoted market value \$1,488,388)			
Due from employees—subscriptions to Canada Savings Bonds		34,731	
Inventories of raw materials, work in process and finished stock, valued at the lower of cost or market and determined by physical count		498,842	\$2,308,634

PREPAID CHARGES.....			34,965
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FIXED:

Building, land, plant, furniture, fixtures, equip- ment and engraved stock.....		3,652,965	
Less: Accumulated depreciation.....		2,707,107	945,858
		495,858	\$3,289,457

Approved on behalf of the Board of Directors:

A. MURRAY VAUGHAN,
Director.

G. HAROLD BURLAND,
Director.

BANK NOTE COMPANY

ATED

DECEMBER 31, 1960

LIABILITIES

CURRENT:

Accounts payable and accrued charges.....	\$ 185,943	
Provision for taxes on profits.....	166,015	\$ 351,958
	<hr/>	

NET WORTH:

Capital Stock—Authorized and issued

150,000 shares of no par value..... 300,000

Earned surplus as shown by statement attached 2,637,499 2,937,499

\$3,289,457

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

STATEMENT OF INCOME FOR THE YEAR ENDED DECEMBER 31, 1960

Profit from operations before deducting the expenses shown below		\$1,064,916
Depreciation on plant, buildings and equipment.....	\$ 178,573	
Legal fees.....	4,499	
Executive remuneration.....	82,679	
Directors' fees.....	9,321	275,072
Net profit from operations.....		789,844
Revenue from investments.....		56,166
Miscellaneous Income.....		32,692
		878,702
Provision for taxes on income.....		423,740
Net income transferred to earned surplus.....	\$	<u>454,962</u>

STATEMENT OF EARNED SURPLUS AS AT DECEMBER 31, 1960

Balance at credit—January 1, 1960.....		\$2,557,537
Net income for the year ended December 31, 1960.....		454,962
		3,012,499
Less: Dividends paid on capital stock.....		375,000
Balance at credit—December 31, 1960.....		<u>2,637,499</u>

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

AUDITOR'S REPORT TO THE SHAREHOLDERS

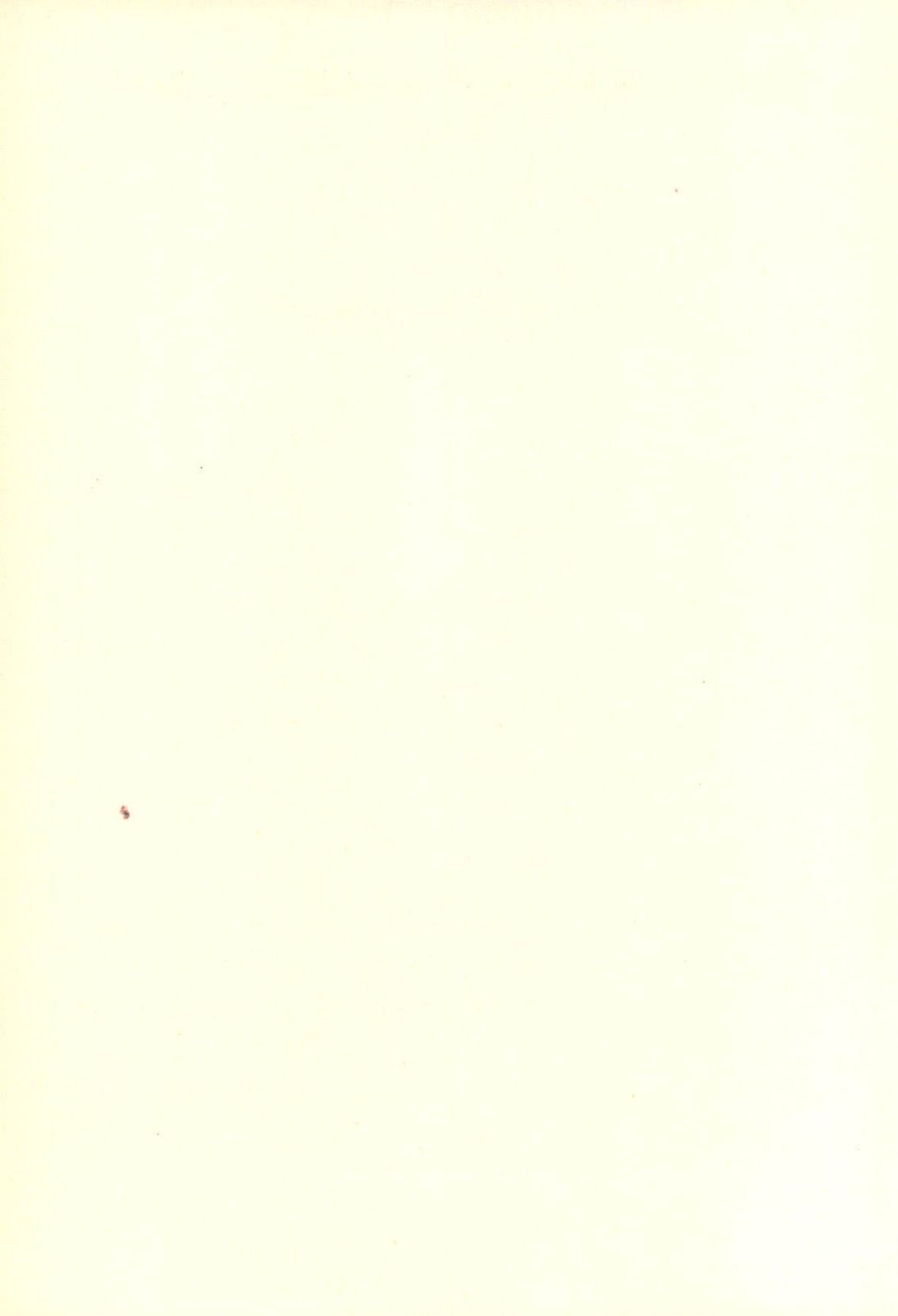
British American Bank Note Company Limited,
Ottawa, Ontario.

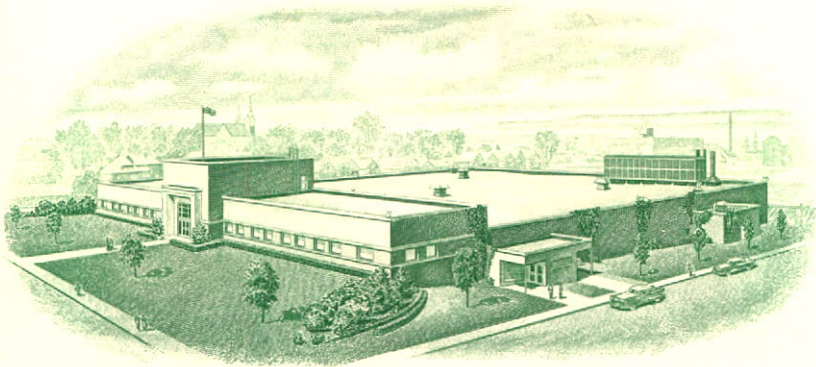
We have examined the Balance Sheet of British American Bank Note Company Limited as at December 31, 1960 and the related statements of income and surplus for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review 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, 1960 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.

ROSS, TOUCHE & CO.,
Chartered Accountants.

Montreal, Quebec, February 2, 1961.





HEAD OFFICE AND PLANT
OTTAWA

BRANCH OFFICES

MONTREAL

TORONTO