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BRITISH AMERICAN BANK NOTE COMPANY, LIMITED

ANNUAL REPORT

1949

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affix corporate seal:

Corporations should sign this through the medium of duly authorized officers and are requested to

Address

Labels should be affixed

Name

Title

Dated at

this

day

1921

personally present and with full power of substitution in the premises

of appointment or appointment to give and this with full power and authority to execute and deliver to the shareholders of the Company to be held as to the management of said corporation or appointment or appointment of every stock holder and of every appointment or appointment of said meeting and of the general meeting meeting of the Company to be held at the Head Office of the Company on Wednesday, March 17, 1920, at 10 o'clock in the morning and in the name of the undersigned the undersigned the undersigned of share- holder and appoints Charles G. Cowan or Duncan K. MacLellan, K.C., the attorney and proxy of the undersigned The undersigned shareholder of British American Bank Note Company limited hereby nominates, con- stitutes and appoints

PROXY

The undersigned shareholder of British American Bank Note Company Limited hereby nominates, constitutes and appoints Charles G. Cowan or Duncan K. MacTavish, K.C., the attorney and proxy of the undersigned for and on behalf and in the name of the undersigned to vote and act at the annual general meeting of shareholders of the Company to be held at the Head Office of the Company on Wednesday, March 15, 1950, at 12 o'clock noon and at every adjournment or adjournments of said meeting and at the special general meeting of shareholders of the Company to be held immediately following the annual general meeting and at every adjournment or adjournments of said meeting with all the powers which the undersigned would possess if personally present and with power of substitution in the premises.

Dated at _____ this _____ day of _____ 1950.

.....
Name (PLEASE PRINT)

.....
Address

.....
Signature of Shareholder.

Corporations should sign this proxy through the medium of duly authorized officers and are requested to affix corporate seal.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS AND A SPECIAL GENERAL MEETING OF SHAREHOLDERS

The Annual General Meeting of the Shareholders of British American Bank Note Company Limited will be held at the Head Office of the Company, 975 Gladstone Avenue, Ottawa, on Wednesday, March 15, 1950, at 12 o'clock noon, for the purpose of receiving and considering the Report of the Directors, the Financial Statements and the Report of the Auditors for the year ended December 31, 1949; for the election of Directors, the appointment of Auditors, and the transaction of such other business as may properly come before the Meeting.

A Special General Meeting of the Shareholders of the Company will be held immediately following the Annual General Meeting to sanction and pass an amendment to By-Law No. 36 providing that the Board of Directors shall be increased from eight to ten Directors.

By Order of the Board,

ARCHIE E. GRIER,

Secretary.

Ottawa, Ontario, February 21, 1950.

If you are unable to be present please complete and return the enclosed proxy to British American Bank Note Company Limited, 975 Gladstone Avenue, Ottawa, Ontario.

Note Company Limited, 275 Gladstone Avenue, Ottawa, Ontario.

If you are unable to be present please complete and return the enclosed proxy to British American Bank
Ottawa, Ontario, February 21, 1920. Secretary.

ARCHIE E. GRIER,
By Order of the Board

Directors shall be increased from eight to ten Directors.

Annual General Meeting to sanction and pass an amendment to By-law No. 36 providing that the Board of
A Special General Meeting of the Shareholders of the Company will be held immediately following the
appointment of Auditors and the transaction of such other business as may properly come before the Meeting
ments and the Report of the Auditors for the year ended December 31, 1919; for the election of Directors; the
at 12 o'clock noon for the purpose of receiving and considering the Report of the Directors, the Financial State-
be held at the Head Office of the Company, 275 Gladstone Avenue, Ottawa, on Wednesday, March 15, 1920.

The Annual General Meeting of the Shareholders of British American Bank Note Company Limited will

AND A SPECIAL GENERAL MEETING OF SHAREHOLDERS

NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS

LIMITED

BRITISH AMERICAN BANK NOTE COMPANY

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

ANNUAL REPORT OF THE BOARD OF DIRECTORS

To the Shareholders:

Your Directors submit herewith the Company's Annual Report showing the Balance Sheet as at December 31, 1949, the Statement of Earned Surplus and the Profit and Loss Statement of the same date, all duly certified by the Company's Auditors.

There was an increase in sales as compared with the year 1948 and the prospects for 1950 are good.

Net profit for the year transferred to Surplus Account amounted to \$200,899.56, representing a satisfactory increase over last year.

Dividends were paid at the rate of 80c per share.

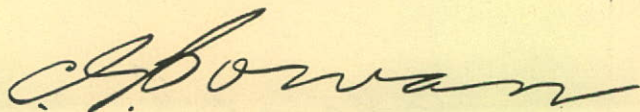
In December, 1949, 2½% Serial Debentures in the amount of \$90,000.00 were redeemed, leaving a total amount of \$620,000.00 2¾% to 3¼% 1950-1955 debentures still outstanding.

As will be observed from the audited statement there has been a substantial increase in Working Capital during the period under review.

Wage rates during 1949 were the highest in the Company's history, as a result of new agreements giving substantial increases to all workers.

The Company has gradually extended its support of employee benefits which now include pensions, group life, sickness and accident insurance, first aid and medical services.

Your Directors desire to pay tribute to the loyal and efficient service of the officers and employees of the Company.



President.

February 16, 1950.

BRITISH AMERICAN

LIMITED

BALANCE SHEET AS AT

ASSETS

Current:

Cash on hand and in banks.....	\$ 75,847.86	
Accounts receivable.....	73,778.11	
Refundable portion of excess profits tax due in 1950	45,418.91	
Investments—bonds and stocks at cost..... (Quoted market value \$253,963.37)	265,883.53	
Inventories of raw materials, work in process and finished stock, valued at cost or market whichever was lower, according to physical count taken December 31, 1949.....	379,565.52	\$ 840,493.93

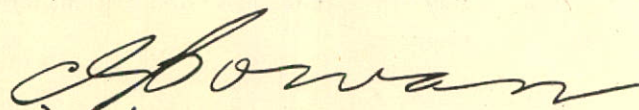
Other:

Refundable portion of excess profits tax	79,526.28	
Prepaid charges	10,149.49	89,675.77

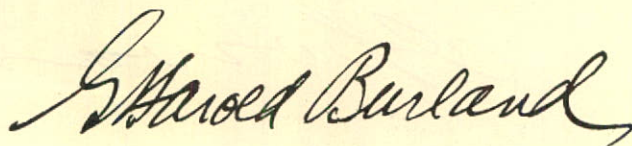
Fixed:

Building	1,492,432.29	
Plant	775,046.73	
Engraved stock	363,321.86	
Furniture, fixtures and equipment.....	84,350.42	
	<u>2,715,151.30</u>	
Less: Reserve for depreciation.....	1,217,639.04	
	<u>1,497,512.26</u>	
Land	30,000.00	1,527,512.26
		<u>\$2,457,681.96</u>

APPROVED ON BEHALF OF THE BOARD:



Director.



Director.

BANK NOTE COMPANY

LIMITED

AT DECEMBER 31, 1949

		LIABILITIES	
Current:			
Accounts payable and accrued liabilities	\$	95,699.49	
Provision for taxes on profits.....		64,292.20	\$ 159,991.69
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Funded Debt:			
2¾% to 3¼% Serial debentures maturing Decem- ber 15, 1950 to 1955.....			620,000.00
Net Worth:			
Capital stock—Authorized and issued—			
150,000 common shares of no par value.....		300,000.00	
General reserve		100,000.00	
Earned surplus—as per statement attached.....		1,277,690.27	1,677,690.27
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\$2,457,681.96

AUDITOR'S REPORT TO THE SHAREHOLDERS

British American Bank Note Company Limited,
Ottawa, Ontario.

We have made an examination of the books and accounts of the British American Bank Note Company Limited for the year ended December 31, 1949 and have obtained all of the information and explanations which we have required.

We report that, in our opinion, the accompanying Balance Sheet and related Statements of Surplus and Profit and Loss are properly drawn up so as to exhibit a true and correct view of the affairs of the Company at December 31, 1949, and the result of its operations for the year ended that date, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, Que., February 3, 1950.

P. S. ROSS & SONS,
Chartered Accountants.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

STATEMENT OF EARNED SURPLUS AS AT DECEMBER 31, 1949

Balance at credit—January 1, 1949.....		\$1,214,615.63
Less: Additional taxes on income 1944-1947.....	16,445.63	
Loss on sale of investments and fixed assets.....	1,379.29	17,824.92
		\$1,196,790.71
Add: Net profit for the year ended December 31, 1949.....		200,899.56
		\$1,397,690.27
Less: Dividends paid on Capital Stock.....		120,000.00
Balance at credit—December 31, 1949.....		\$1,277,690.27

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED DECEMBER 31, 1949

Profit from operations before deducting the expenses shown below		\$ 585,977.09
Deduct:		
Depreciation on plant, building and equipment (See Note).....	\$ 181,175.09	
Legal fees	12,394.91	
Executive remuneration	50,314.00	
Directors' fees	1,320.00	
Debenture interest	20,731.25	265,935.25
		\$ 320,041.84
Net Profit from operations.....		\$ 320,041.84
Add: Revenue from investments.....		8,149.92
		\$ 328,191.76
Provision for taxes on income.....		127,292.20
Net profit transferred to Earned Surplus.....		\$ 200,899.56

NOTE: Provision for depreciation has been calculated at the new rates authorized by the Income Tax Act and is greater than the amount which would have been provided at the rates used in previous years.

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

HEAD OFFICE AND PLANT — OTTAWA, ONTARIO
BRANCHES—TORONTO, ONTARIO AND MONTREAL, QUEBEC

OFFICERS

Howard W. Pillow
Chairman of the Board

Charles G. Cowan
President

Duncan K. MacTavish, K.C.
Vice-President

G. Harold Burland
Comptroller and Treasurer

Archie E. Grier
Secretary

DIRECTORS

F. E. Bronson
Ottawa, Ontario

Duncan K. MacTavish, K.C.
Ottawa, Ontario

G. Harold Burland
Ottawa, Ontario

Howard W. Pillow
Montreal, Quebec

Ross Clarkson
Montreal, Quebec

A. Murray Vaughan
Montreal, Quebec

Charles G. Cowan
Ottawa, Ontario

Bernard C. Westall
London, England

TRANSFER AGENT

The Royal Trust Company, Montreal and Toronto

REGISTRAR

The Montreal Trust Company, Montreal and Toronto

