STEDMAN BROS., LIMITED

136-152 PORTLAND STREET

TORONTO, CANADA

April 9th, 1953.

To the Shareholders of Stedman Bros., Limited:

The Directors of Stedman Bros., Limited submit for your consideration the Annual Statement, together with the Profit and Loss Account for the year ending December 31st, 1952.

It is considered the Statement is satisfactory and should meet with your approval. A moderate increase in volume resulted in an increase of 1.06% in Net Earnings over the previous year.

During the year Capital Expenditures comprising additions to Real Estate and Fixtures, and totalling \$260,392.91 were made. Five new retail outlets were opened and one was closed.

Your Directors have declared a ten cent bonus dividend along with the regular quarterly dividend, both payable on April 1st, 1953.

The year 1953 is comparing favorably with 1952 and suggests confidence to those who are able to adjust to the ever-changing conditions.

On behalf of the Directors, I would like to express to the management and staff, their appreciation for faithful service and co-operation during the year.

Signed on behalf of the Board,

S. W. STEDMAN,

Chairman.



STEDMAN BROS., LIMITED

And Wholly-Owned Subsidiary Company

STATEMENT OF CONSOLIDATED EARNED SURPLUS For the Year Ended December 31, 1952

(With Comparative Figures for the year ended December 31, 1951)

	1952	1951
Balance at Beginning of the Year	\$4,914,393.39	\$4,313,050.72
Add: Consolidated Net Profit for the year	730,025.44	722,317.88
Profit on Disposal of Fixed Assets		105,061.87
Refundable Portion of Excess Profits Tax Received		94,934.50
Increase in Cash Value of Life Insurance		3,375.02
Prior Year Taxes on Income		773.10
Adjustment of Prior Years' Reserve for Depreciation		4,276.95
	\$5,652,430.20	\$5,243,790.04
Deduct: Life Insurance Premiums Paid	\$ 3,662.25	\$ 3,662.25
Dividends on Common Shares		325,734.40
Prior Year Taxes on Income		
	\$ 329,920.19	\$ 329,396.65
Consolidated Earned Surplus at End of Year as per Balance Sheet	\$5,322,510.01	\$4,914,393.39

STATEMENT OF CONSOLIDATED PROFIT AND LOSS

For the Year Ended December 31, 1952

(With Comparative Figures for the year ended December 31, 1951)

Net Income Before Provision for the Following Items	1952 \$1,780,722.75 530.00	1951 \$1,725,164.44 448.00
	\$1,781,252.75	\$1,725,612.44
Deduct: Depreciation of Buildings and Equipment	29,901.28 50,500.00	\$ 117,225.44 29,713.10 49,600.00
mont	900.00	300.00 1,175.56
Legal Fees	833,899.80	805,280.46
	\$1,051,227.31	\$1,003,294.56
Net Profit Transferred to Statement of Consolidated Earned Surplus	\$ 730,025.44	\$ 722,317.88

STEDMAN BROS., LIMITED

INCORPORATED UNDER THE DOMINION COMPANIES ACT
And Wholly-Owned Subsidiary Company

CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31, 1952

(With Comparative Figures for the year ended December 31, 1951)

ASSETS	
December 3:	
Current Assets	1951
Cash on Hand and in Banks\$1,391,811.63	\$1,610,374.10
Accounts Receivable (less allowance for doubtful accounts 1952	φ1,010,514.10
\$8,266,37)	595,850.72
Merchandise inventory as determined and certified by responsible officials of the company and valued at not more than cost or	
market (less reserve against decline in inventory values	
\$200,000.00)	1,985,373.71
Advance Payments on Merchandise 50,374.58 Cash Surrender Value of Life Insurance 42,253.35	
Prepaid Insurance, Pension and Other Expenses 46,074.67	
Investment in Securities (market value 1951 — \$7,790.00;	
1952 (\$8,160.00)	8,566.06
Total Current Assets\$4,701,613.5	\$4,319,866.93
	-0 1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1
Fixed Assets — at cost	01 000 500 64
Land and Buildings \$1,444,163.00 Furniture and Fixtures 1,006,697.40	\$1,320,728.64 869,739.02
	- () - ()
\$2,450,860.57	\$2,190,467.66
Less: Accumulated Depreciation 912,914.40	779,294.07
Total Fixed Assets\$1,537,946.1	\$1,411,173.59
\$6,239,559.68	\$5,731,040.52
LIABILITIES	-
LIABILITIES	1 D 1 01
	December 31
December 3	1 December 31 1951
December 3	1951
Current Liabilities Accounts Payable and Accrued Liabilities	1951 2 \$ 33,431.93
Current Liabilities December 3 Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable 429,856.55	1951 2 \$ 33,431.93 401,780.60
Current Liabilities December 3 Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable 429,856.55 Dividends Payable 2nd January, 1953 81,433.66	1951 2 \$ 33,431.93 5 401,780.60 81,433.60
Current Liabilities December 3 Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable 429,856.55	1951 2 \$ 33,431.93 5 401,780.60 81,433.60
Current Liabilities December 3 Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable 429,856.55 Dividends Payable 2nd January, 1953 81,433.66	1951 2 \$ 33,431.93 5 401,780.60 81,433.60
Current Liabilities Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable \$ 429,856.55 Dividends Payable 2nd January, 1953 \$ 81,433.66 Total Current Liabilities \$ 617,048.67	1951 2 \$ 33,431.93 5 401,780.60 81,433.60
Current Liabilities Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable \$ 429,856.55 Dividends Payable 2nd January, 1953 \$ 81,433.66 Total Current Liabilities \$ 617,048.67	1951 2 \$ 33,431.93 5 401,780.60 81,433.60
Current Liabilities Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable \$ 429,856.55 Dividends Payable 2nd January, 1953 \$ 81,433.66 Total Current Liabilities \$ 617,048.67 CAPITAL STOCK AND SURPLUS Capital Stock Authorized 500,000 Common Shares Without Nominal or Par Value	\$ 33,431.93 401,780.60 81,433.60 \$ 516,646.13
Current Liabilities Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable \$ 429,856.55 Dividends Payable 2nd January, 1953 \$ 81,433.66 Total Current Liabilities \$ 617,048.67	\$ 33,431.93 401,780.60 81,433.60 \$ 516,646.13
Current Liabilities Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable \$ 429,856.55 Dividends Payable 2nd January, 1953 \$ 81,433.66 Total Current Liabilities \$ 617,048.67 CAPITAL STOCK AND SURPLUS Capital Stock Authorized 500,000 Common Shares Without Nominal or Par Value	\$ 33,431.93 401,780.60 81,433.60 \$ 516,646.13
December 3 1952	1951 2 \$ 33,431.93 401,780.60 81,433.60 7 \$ 516,646.13 0 \$ 294,801.00 1 \$4,914,393.39
Current Liabilities Accounts Payable and Accrued Liabilities \$ 105,758.55 Income Taxes Payable \$ 429,856.55 Dividends Payable 2nd January, 1953 \$ 81,433.65 Total Current Liabilities \$ 617,048.65 CAPITAL STOCK AND SURPLUS Capital Stock Authorized 500,000 Common Shares Without Nominal or Par Value Issued 407,168 Shares \$ 294,801.0 Surplus	1951 2 \$ 33,431.93 401,780.60 81,433.60 7 \$ 516,646.13 0 \$ 294,801.00 1 \$4,914,393.39
December 3 1952	\$ 33,431.93 401,780.60 81,433.60 \$ 516,646.13 0 \$ 294,801.00 1 \$4,914,393.39 5,200.00
December 3 1952	\$ 33,431.93 401,780.60 81,433.60 \$ 516,646.13 0 \$ 294,801.00 1 \$4,914,393.39 5,200.00 1 \$4,919,593.39

Approved on behalf of the Board: S. W. STEDMAN, *Director* GEO. H. STEDMAN, *Director*

AUDITOR'S CERTIFICATE

Brantford, Ontario, March 27, 1953.

To the Shareholders, Stedman Bros., Limited:

We have examined the consolidated balance sheet of Stedman Bros., Limited and wholly owned subsidiary company, Stedman's Bookstore Limited, as at December 31, 1952, and the statements of consolidated profit and loss and consolidated earned surplus for the year then ended. In connection therewith, we have reviewed the records of the company, and its wholly owned subsidiary, and have obtained all the information and explanations we have required. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. In our opinion, the accompanying consolidated balance sheet and related statements of consolidated profit and loss and consolidated earned surplus have been drawn up so as to exhibit a true and correct view of the state of the companies' affairs at December 31, 1952, and of the results of operations for the year then ended, according to the best of our information and the explanations given to us, and as shown by the books.

MILLARD, ROUSE AND ROSEBRUGH, Chartered Accountants.

OFFICERS:

Year Ending 31st December, 1952

FOR THE

ANNUAL REPORT

...Vice-President and Managing DirectorVice-PresidentDirectorDirector SAMUEL W. STEDMANChairman of the BoardPresident Secretary-Treasurer Director DOUGLAS J. MACDONALD A. A. MacDONALD..... J. R. MORRISON. GEORGE H STEDMAN J. D. RAE GEO. T. HUMBLE A. ROSS POYNTZ.

GUARANTY TRUST COMPANY OF CANADA STOCK TRANSFER AGENTS:

70 Richmond Street West Toronto

BANKERS:

BANK OF TORONTO Toronto

STEDMAN BROS., LIMITE