

Stack

(later)

ANNUAL REPORT AND STATEMENTS

— OF —

Brantford Roofing Company, Limited

Brantford, Ontario

and its wholly-owned Subsidiaries

Brantford Roofing (Maritimes) Limited

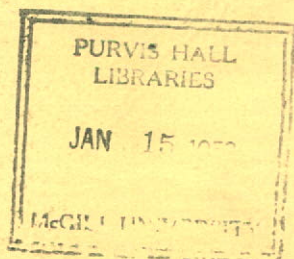
Coldbrook, N.B.

Brantford Felt and Paper Company, Limited

Thorold, Ontario

Brantford, Canada

October 31st, 1952



BOARD OF DIRECTORS

DAVID L. ADAMS.....	Brantford, Ontario
W. J. AIKENS, Q.C.	Toronto, Ontario
FREDERICK ANDREWS.....	Brantford, Ontario
C. A. BEATTEAY.....	Saint John, N.B.
W. ASHTON COCKSHUTT.....	Brantford, Ontario
ARNOLD G. HITCHON.....	Brantford, Ontario
J. E. McCONNELL, JR.....	Toronto, Ontario

OFFICERS

ARNOLD G. HITCHON.....	President
W. J. AIKENS, Q.C.	Vice-President and Secretary
G. H. RICHMOND, C.A.....	Treasurer
W. E. GREIG.....	General Manager

TRANSFER AGENT AND REGISTRAR:

THE CANADA TRUST CO.....112 Yonge St., Toronto, Ont.

ANNUAL REPORT

of the
Directors of
Brantford Roofing Company, Limited
Year Ended 31st October, 1952

TO THE SHAREHOLDERS:

Your Directors submit herewith the Consolidated Balance Sheet, Statement of Earnings and Surplus for the year ended October 31st, 1952; as certified by your Auditors, Messrs. Glendinning, Jarrett, Gray & Roberts.

As a result of the drop in housing starts during the last half of 1951 a marked decline in roofing business was experienced during the first six months of the year. With some easement of conditions restricting home building, demand for your products improved and plants were operated at capacity in the remaining period, but total sales volume was less than in 1951.

Largely as a result of economical operations obtained from previous Capital expenditures and a reduction in allowable depreciation, net earnings of \$253,888. were slightly above last year. Taxes on income required \$130,000. and there was a net profit of \$124,438. equal to \$2.86 per Class "A" share; compared with \$2.89 in the previous year. Dividends were paid in the amount of \$1.00 on the Class "A" and .30c on Class "B" shares. It should be noted that Taxes are more than double the amount returned to shareholders despite the fact that such dividends are again taxed in their hands.

During the year \$108,823. was expended in additions to plant, largely on the Felt mill at Thorold, Ontario. Bonds were retired in the amount of \$35,000. Dividends were paid in the total of \$56,569. and working capital improved by \$5,429. to a total of \$866,829.

Capital expenditures as planned will be less in 1953 but your directors will continue to reinvest retained earnings in plant facilities wherever improved product or economy of operations can be effected.

Since the close of the year, a dividend of \$1.00 has been declared on the Class "A" shares, payable .25c quarterly in 1953 and .10c payable February 1st on the Class "B" shares.

With an outlook for increased residential construction necessitated by an increasing population and shifting of industrial areas, a larger volume of business should be available in the current year. Your Company with its long established reputation as a manufacturer of high quality asphalt shingles in attractive durable colours is in a position to obtain a good share of this market.

We have, during the year, enjoyed good relations with all our working staff and I wish to thank all employees who have contributed to our operations.

Submitted on behalf of the Board.

ARNOLD G. HITCHON,
President.

Brantford, Ontario,
December 19th, 1952.

Brantford Roofing

And Wholly-Owned Subsidiary

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on Hand and in Bank	\$317,229.61	
Receivables — Less Reserve	655,651.22	
Inventories at lower of Cost or Market as determined and certified by the Manage- ment	456,038.06	
Prepaid Expenses, etc.	22,904.97	
	<hr/>	1,451,823.86

OTHER ASSETS:

Investments with Trustee as security for Roofing Contracts (Total Market Value \$17,000.00)		20,000.00
---	--	-----------

FIXED ASSETS:

Land, Buildings and Machin- ery as appraised by Ster- ling Appraisal Company Limited in 1927 plus sub- sequent additions at cost ..	\$2,069,548.47	
Less: Reserve for Depre- ciation	1,299,475.58	
	<hr/>	770,072.89
Automobiles, Trucks, etc., at cost less amounts written off		43,283.43
		<hr/>
		813,356.32

Approved on behalf of the Board:

A. G. HITCHON Director

W. J. AIKENS Director

\$2,285,180.18

To the Shareholders, **Brantford Roofing Company, Limited.**

We have audited the books and accounts of the Brantford Roofing Company, Limited, and we have obtained all the information and explanations we have required. We report that, in our opinion, the above statement presents a true and correct view of the state of the consolidated affairs of the Company as at 31st December, 1952, and as shown by the books of the Companies.

Brantford, Ontario, 15th December, 1952.

Company, Limited

Subsidiary Companies

Balance Sheet as at 31st October, 1952

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	\$477,131.79
Sales Tax, etc.	2,025.97
Accrued Bond Interest	8,112.50
Dividend Payable 1st November, 1952	15,230.25
Government Profits Taxes Payable	82,494.43

584,994.94
20,000.00

RESERVE FOR ROOFING CONTRACTS

BONDS:

Authorized and Issued:

\$650,000.00 First Mortgage Bonds

Outstanding:

4% Fifteen-year Sinking Fund Bonds maturing on 1st November, 1960 (Sinking Fund Payable \$25,000.00 annually)

\$300,000.00

3 $\frac{1}{4}$ % Ten-year Sinking Fund Bonds maturing on 1st November, 1960 (Sinking Fund Payable \$10,000.00 annually)

130,000.00

430,000.00

CAPITAL:

Authorized:

45,000 Class "A" Convertible Shares without Nominal or Par Value, carrying Fixed, Cumulative, Preferred Dividend of \$1.00 per Share per Annum.

45,000 Class "B" Shares without Nominal or Par Value.

Issued:

43,515 Class "A" Shares

43,515 Class "B" Shares

} 380,640.00

CAPITAL SURPLUS:

67,606.78

EARNED SURPLUS (per statement attached)

801,938.46

\$2,285,180.18

and Wholly-Owned Subsidiary Companies, for the year ended 31st October, 1952, and in our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view of the financial position of the Company as at 31st October, 1952, according to the best of our information and the explanations given to us,

GLENDINNING, JARRETT, GRAY & ROBERTS, Chartered Accountants, Auditors.

Brantford Roofing Company, Limited

And Wholly-Owned Subsidiary Companies

CONSOLIDATED STATEMENT OF EARNINGS

For the Year Ended 31st October, 1952

Gross Profit from Operations for the year ended 31st October, 1952, after providing for all expenses (including Bad and Doubtful Debts) except the undernoted		\$386,928.07
Management Salaries to Executive Officers of Company and Subsidiaries, including Directors' Fees for Subsidiaries	\$ 28,972.13	
Directors' Fees	2,500.00	
Legal Fees	1,142.29	
Interest on Funded Debt	17,463.87	
Provision for Depreciation of Buildings and Machinery	82,960.98	
	<hr/>	133,039.27
		\$253,888.80
ADD: Interest Received on Investments		550.00
NET EARNINGS FOR THE YEAR ENDED 31ST OCTOBER, 1952 (before provision for Government Profits Taxes)		\$254,438.80
Provision for Government Profits Taxes		130,000.00
NET PROFIT FOR THE YEAR (Transferred to Earned Surplus)		<u>\$124,438.80</u>

Brantford Roofing Company, Limited

And Wholly-Owned Subsidiary Companies

CONSOLIDATED STATEMENT OF EARNED SURPLUS

For the Year Ended 31st October, 1952

CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1951		\$733,944.16
ADD:		
Net Profit for the Year (per Statement attached)	\$124,438.80	
Profit on Redemption of Bonds	125.00	
	<hr/>	124,563.80
		\$858,507.96
DEDUCT:		
Dividends:		
\$1.00 per share on 43,515 Class "A" Shares	\$ 43,515.00	
30c per share on 43,515 Class "B" Shares	13,054.50	
	<hr/>	56,569.50
CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1952		<u>\$801,938.46</u>

Brantford

Roofing Products

Asphalt Shingles

Roll Roofings

Insulated Sidings

Roll Sidings

Insulating Felt

Dry and Saturated Sheathings

Brantford

Industrial Products

Built-Up Roofing Materials

Waterproofing Materials

Asphalt Emulsions

Mastic Flooring

Specialty Products

Head Office and Plant:

Brantford Roofing Company, Limited

Box 608
BRANTFORD, ONTARIO

Felt Plant:

Brantford Felt and Paper Company, Limited

THOROLD, ONTARIO

Maritimes Office and Plant:

Brantford Roofing (Maritimes) Limited

Drawer 67
SAINT JOHN, N.B.

Toronto Warehouse and Sales Office:

Brantford Roofing Company, Limited

Box 159
DOWNSVIEW, ONT. (Wilson Ave.)

Montreal Warehouse and Sales Office:

Brantford Roofing Company, Limited

Room 506, 1100 Craig Street, East
STATION "T" - MONTREAL, P.Q.

Winnipeg Warehouse and Sales Office:

Brantford Roofing Company, Limited

Trans Canada Credit Building
WINNIPEG - MANITOBA

