

C
Stack

CONFIDENTIAL

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, 1951

PURVIS HALL
LIBRARIES

JAN 2 1952

MCGILL UNIVERSITY

BOARD OF DIRECTORS

DAVID L. ADAMS.....	Brantford, Ontario
W. J. AIKENS, K.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.....	London, Ontario
ROBT. D. PAUL.....	Brantford, Ontario

OFFICERS

ARNOLD G. HITCHON.....	President
W. J. AIKENS, K.C.....	Vice-President
E. CLAYTON SMITH.....	Treasurer
ROBT. D. PAUL.....	General Manager and Secretary

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, 1951

TO THE SHAREHOLDERS:

Your Directors submit herewith the Consolidated Balance Sheet, Statements of Earnings and Surplus for the year ended October 31st, 1951; as certified by your Auditors, Messrs. Glendinning, Jarrett, Gray & Roberts.

A moderate increase in Sales volume was experienced during the year, increasing net earnings by \$13,378. This was more than offset by Profit taxes, larger by \$31,000., or an increase in taxation equivalent to 71c per Class "A" share. After taxes in a total of \$123,000. there remained \$125,696. for shareholders account.

It should be noted that Taxes were more than double dividends paid to shareholders in the amount of \$60,921.

Early in the year in anticipation of Capital expenditures, your Directors authorized the borrowing of \$150,000. by issue of Sinking Fund bonds at a rate of $3\frac{1}{4}\%$. Total Capital expenditures on plant amounted to some \$190,000; principally accounted for by the erection of a well equipped modern warehouse in the North Toronto district and an extension to the Brantford finished goods warehouse equipped with a modern shipping dock accommodating 9 transport trucks. These needed additions greatly improve our distributing facilities.

Bonds were retired by action of Sinking Fund in a total of \$35,000. and Working Capital was increased by \$94,627. to a total of \$861,399.

Roofing plants at Brantford and Saint John and the Felt mill at Thorold, were well maintained. It is the Directors policy to continue expenditure on productive facilities wherever economy of operation 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 1952 and 10c payable February 1st on the Class "B" shares.

The immediate outlook for business is uncertain with a reduced volume available for the first six months of your year. This condition naturally follows the restrictions placed on residential construction early in 1951. Some action has been taken to modify this policy but further means must be found to provide a free flow of mortgage funds and essential materials for residential construction, if Canada is to house its increasing population. We, therefore, look forward to a rising volume of business in the second half of the year. Your Company will be in a position to provide this market with an adequate supply of high quality roofing products.

Employee relationships have continued in good spirit and I thank all our staff for their willingness and effort throughout the year.

Submitted on behalf of the Board.

ARNOLD G. HITCHON,
President.

Brantford, Ontario,
December 14th, 1951.

Brantford Roofing
And Wholly-Owned Subsidiaries

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on Hand and in Bank	\$346,627.30	
Receivables, less Reserves	524,196.52	
Inventories at lower of Cost or Market as determined and certified by the Manage- ment	490,373.50	
Prepaid Expenses, etc.	27,504.89	
		\$1,388,702.21

OTHER ASSETS:

Investments with Trustee as security for Roofing Contracts (Total Market Value \$18,100.00)	\$ 20,000.00	
Refundable Portion of Excess Profits Taxes	3,628.08	
		23,628.08
		\$1,412,330.29

FIXED ASSETS:

Land, Buildings and Machin- ery as appraised by Ster- ling Appraisal Company Limited in 1927 plus sub- sequent additions at cost ..	\$1,960,790.02	
Less: Reserve for Depre- ciation	1,216,514.60	
		\$744,275.42
Automobiles, Trucks, etc., at cost less amounts written off	41,516.24	
		\$ 785,791.66

Approved on behalf of the Board:

A. G. HITCHON	Director
W. J. AIKENS	Director

\$2,198,121.95

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

We have audited the books and accounts of the Brantford Roofing Company, Limited, we have obtained all the information and explanations we have required. We report that, a true and correct view of the state of the consolidated affairs of the Company as at 31st December 1951, and as shown by the books of the Companies.
Brantford, Ontario, December 11, 1951.

Company, Limited

Subsidiary Companies

as at 31st October, 1951

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	\$426,837.43	
Sales Tax, etc.	1,824.94	
Accrued Bond Interest	8,754.04	
Dividend Payable 1st November, 1951	15,230.25	
Government Profits Taxes Payable	78,284.35	
	<hr/>	\$ 530,931.01
RESERVE FOR ROOFING CONTRACTS		20,000.00
		<hr/>
		\$ 550,931.01

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)	\$325,000.00	
3¼% Ten-year Sinking Fund Bonds maturing on 1st November, 1960 (Sinking Fund Payable \$10,000.00 annually)	140,000.00	
	<hr/>	\$ 465,000.00

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	}	380,640.00
43,515 Class "B" Shares		

CAPITAL SURPLUS:

67,606.78

EARNED SURPLUS (per statement attached):

733,944.16

\$2,198,121.95

ed, and Wholly-Owned Subsidiary Companies, for the year ended 31st October, 1951, and in our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit October, 1951, 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, 1951

Gross Profit from Operations for the year ended 31st October, 1951, after providing for all expenses (including Bad and Doubtful Debts) except the undernoted		\$401,300.61
Management Salaries to Executive Officers of Company and Subsidiaries, including Directors' Fees for Subsidiaries	\$ 28,391.68	
Directors' Fees	2,500.00	
Legal Fees	370.80	
Interest on Funded Debt	17,124.20	
Provision for Depreciation of Buildings and Machinery	104,767.13	
		<u>\$153,153.81</u>
		\$248,146.80
ADD: Interest Received on Investments		550.00
NET EARNINGS FOR THE YEAR ENDED 31ST OCTOBER, 1951 (before Provision for Government Profits Taxes)		\$248,696.80
Provision for Government Profits Taxes		123,000.00
NET PROFIT FOR THE YEAR (Transferred to Earned Surplus)		<u>\$125,696.80</u>

Brantford Roofing Company, Limited

And Wholly-Owned Subsidiary Companies

CONSOLIDATED STATEMENT OF EARNED SURPLUS

For the Year Ended 31st October, 1951

CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1950		\$670,020.60
ADD:		
Net Profit for the Year (per Statement attached)		125,696.80
		<u>\$795,717.40</u>
DEDUCT:		
Dividends:		
\$1.00 per share on 43,515 Class "A" Shares	\$43,515.00	
40c per share on 43,515 Class "B" Shares	17,406.00	
		<u>\$60,921.00</u>
Legal Fees re Bonds Issued	852.24	
		<u>\$ 61,773.24</u>
CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1951		<u>\$733,944.16</u>



Showing Brantford Warehouse Extension and saw-tooth loading dock, at which 9 transports can be loaded at one time



New Toronto Warehouse (Wilson Avenue), North York Township. Opened September 1951.

Brantford Roofing Products

Asphalt Shingles

Insulated Sidings

Roll Roofings

Insulating Felt

Dry and Saturated Sheathings

Built-Up Roofing Materials

Waterproofing Materials

Asphalt Emulsion

Mastic Flooring

