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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

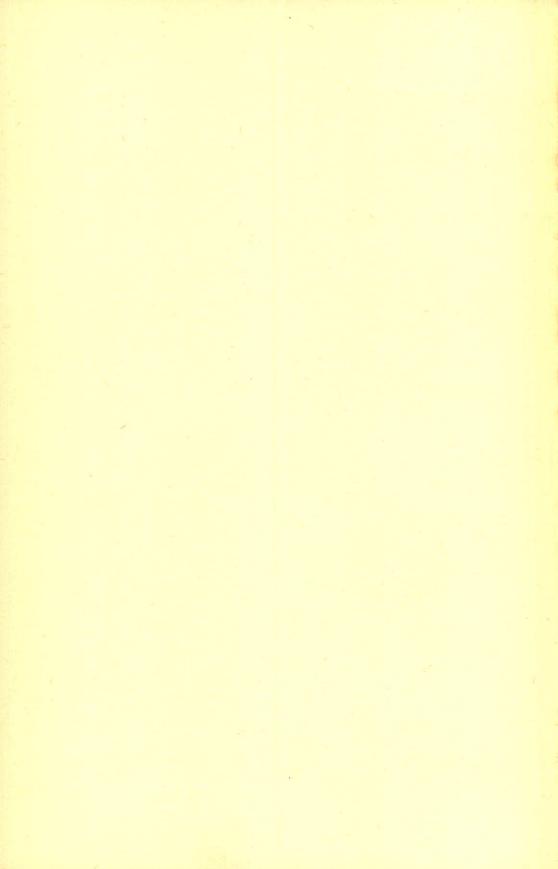
Thorold, Ontario

Brantford, Canada October 31st, 1951

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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 Su

Consolidated Balance Sheet

ASSETS

ASSETS		
CURRENT ASSETS:		
Cash on Hand and in Bank Receivables, less Reserves Inventories at lower of Cost or Market as determined and certified by the Manage- ment		
Prepaid Expenses, etc.	27,504.89	1 900 709 91
OTHER ASSETS:		31,388,702.21
Investments with Trustee as security for Roofing Contracts (Total Market Value \$18,100.00) Refundable Portion of Excess Profits Taxes	\$ 20,000.00 3,628.08	23,628.08
	\$	31,412,330.29
FIXED ASSETS: Land, Buildings and Machinery as appraised by Sterling Appraisal Company Limited in 1927 plus subsequent additions at cost \$1,960,790.02 Less: Reserve for Depreciation 1,216,514.60 Automobiles, Trucks, etc., at cost less amounts written off Approved on behalf of the Board: A. G. HITCHON Div. W. J. AIKENS Div.	\$744,275.42 41,516.24 irector	785,791.66
	\$	32,198,121.95

To the Shareholders, Brantford Roofing Company, Limited.

We have audited the books and accounts of the Brantford Roofing Company, Limite 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 (and as shown by the books of the Companies.

Brantford, Ontario, December 11, 1951.

Company, Limited

bsidiary Companies

as at 31st October, 1951

LIABILITIES		
CURRENT LIABILITIES: Accounts Payable \$426,837.4 Sales Tax, etc. 1,824.9 Accrued Bond Interest 8,754.0 Dividend Payable 1st November, 1951 15,230.2 Government Profits Taxes Payable 78,284.3 RESERVE FOR ROOFING CONTRACTS	4 4 5	530,931.01 20,000.00
BONDS:	\$	550,931.01
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) \$325,000.0 31/4,% Ten-year Sinking Fund Bonds maturing on 1st November, 1960 (Sinking Fund Payable \$10,000.00 annually) 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:		465,000.00
43,515 Class "A" Shares		380,640.00
CAPITAL SURPLUS:		67,606.78
EARNED SURPLUS (per statement attached):	_	733,944.16
	\$2	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,

Brantford Roofing Company, Limited And Wholly-Owned Subsidiary Companies

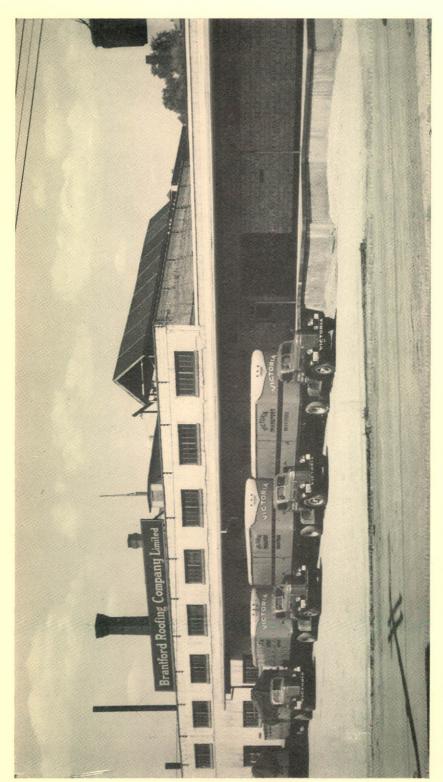
CONSOLIDATED STATEMENT OF EARNINGS For the Year Ended 31st October, 1951

Gross Profit from Operations for the year ended 31st October, 1951, after providing for all expenses (including Bad and Doubtful Debts) except the undernoted Management Salaries to Executive Officers of	\$401,300 .61
Company and Subsidiaries, including Directors' Fees for Subsidiaries	\$ 28,391.68
Directors' Fees	2,500.00
	370.80
Legal Fees Interest on Funded Debt	17,124.20
Provision for Depreciation of Buildings and	11,124.20
Machinery	104,767.13 \$153,153.81
	\$248,146.80
ADD: Interest Received on Investments	550.00
NET EARNINGS FOR THE YEAR ENDED 31ST OCTOBER, 1951 (before Provision for Govern-	
ment Profits Taxes)	\$248,696.80
Provision for Government Profits Taxes	123,000.00
NET PROFIT FOR THE YEAR (Transferred to	
Earned Surplus)	\$125,696.80

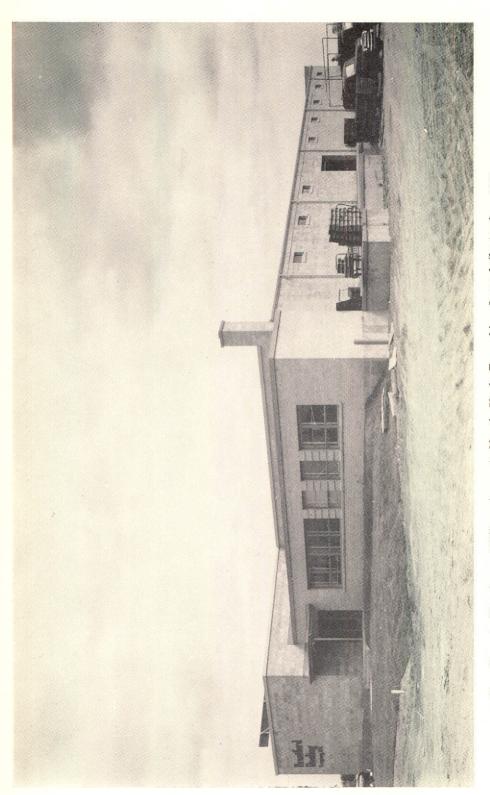
Brantford Roofing Company, Limited And Wholly-Owned Subsidiary Companies

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
DEDUCT: Dividends:		\$795,717.40
\$1.00 per share on 43,515 Class "A" Shares 40c per share on 43,515 Class "B" Shares	\$43,515.00 17,406.00	
Legal Fees re Bonds Issued	\$60,921.00 852.24	
CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1951		\$733,944.16



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.

BrantfordRoofing Products

Asphalt Shingles
Insulated Sidings
Roll Roofings
Insulating Felt
Dry and Saturated Sheathings
Built-Up Roofing Materials
Waterproofing Materials
Asphalt Emulsion
Mastic Flooring

