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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, 1949

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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, 1949

TO THE SHAREHOLDERS:

Your Directors submit herewith the Consolidated Balance Sheet, Statements of Earnings and Surplus for the year ended October 31st, 1949, as certified by your Auditors, Messrs. Glendinning, Jarrett, Gray and Roberts.

The Company enjoyed the largest volume of Sales in its history resulting in net earnings of \$299,671. after providing for depreciation of buildings and machinery in the amount of \$115,935. Government profit taxes required \$119,000. leaving a net profit of \$180,671. equal to \$4.15 per share. Dividends totalling \$1.00 per share were paid during the year and a payment of fifty cents plus twenty-five cents extra has been declared payable February 1st, 1950.

During the year \$45,552. was expended on additions to plant and machinery, serial bonds in the amount of \$30,000. were retired and your working capital increased by \$171,305. to a total of \$713,721. The return to a seasonal movement of roofing and siding materials, forecast a year ago, became evident in the Spring and borrowings from our Bankers were employed in the financing of finished goods for shipment in the later months of peak demand. Sales continued in heavy volume into late fall with a resultant increase in accounts receivable at the close of the year.

Manufacturing facilities were well maintained and our policy of improvement will continue and require additional capital expenditure in the coming year.

The outlook for business in 1950 appears satisfactory but more exacting marketing conditions will be in evidence.

I would like to thank our Executive Staff and all Employees for their excellent work and willing co-operation throughout the year.

Submitted on behalf of the Board.

ARNOLD G. HITCHON,

President.

Brantford, Ontario,
December 16th, 1949.

Brantford Roofing

And Wholly-Owned S

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on Hand and in Bank	\$351,944.76	
Investments — Dominion of Canada		
3% Bonds at Par	30,000.00	
(Market Value \$30,970.00)		
Receivables, less Reserves	489,726.57	
Inventories at lower of Cost or Market, as certified by the Management	294,188.71	
Prepaid Expenses — Insurance, etc.	18,072.46	
		<u>\$1,183,932.50</u>

OTHER ASSETS:

Cash and Investments with Trustee as security for Roofing Contracts (Total Market Value \$25,435.67)	\$ 26,335.67	
Refundable Portion of Excess Profits Taxes	18,679.00	
		<u>\$ 45,014.67</u>
		<u>\$1,228,947.17</u>

FIXED ASSETS:

Land, Buildings and Machinery as appraised by Sterling Appraisal Company Limited in 1927 plus subsequent additions at cost	\$1,666,342.54	
Less: Reserve for Depreciation	994,917.18	
		<u>\$671,425.36</u>
Automobiles, Trucks, etc., at cost, less amounts written off	34,454.50	
		<u>\$ 705,879.86</u>

Approved on behalf of the Board:

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

\$1,934,827.03

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 certify that the above is a true and correct view of the state of the consolidated affairs of the Company as at 31st December 1949, as shown by the books of the Company.

Brantford, Ontario, 14th December, 1949.

Company, Limited

Subsidiary Companies

Balance Sheet as at 31st October, 1949

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	\$370,036.83	
Sales Tax, etc.	2,932.07	
Accrued Bond Interest	7,900.00	
Serial Bonds due 1st November, 1949	30,000.00	
Government Profits Taxes Payable	84,357.23	
	<hr/>	\$ 495,226.13
RESERVE FOR ROOFING CONTRACTS		20,000.00
		<hr/>
		\$ 515,226.13

BONDS:

Authorized:

\$650,000.00 First Mortgage
Serial and Sinking Fund
Bonds.

Issued:

\$500,000.00 First Mortgage
Serial and Sinking Fund
Bonds.

Outstanding:

\$60,000.00 3% Serial Bonds,
maturing \$30,000.00 on 1st
November in each of the
next two years

\$60,000.00

Less: Bonds due 1st November,
1949

30,000.00

\$ 30,000.00

\$350,000.00 4% Fifteen-year Sinking Fund
Bonds maturing on 1st November, 1960
(Sinking Fund payable \$25,000.00 an-
nually commencing in the year 1951)

350,000.00

\$ 380,000.00

CAPITAL:

Authorized:

45,000 Common Shares of No Par Value.

Issued:

43,515 Common Shares of No Par Value

380,640.00

CAPITAL SURPLUS:

67,606.78

EARNED SURPLUS: (As per statement attached)

591,354.12

\$1,934,827.03

and Wholly-Owned Subsidiary Companies, for the year ended 31st October, 1949, and in our opinion, the above Consolidated Balance Sheet is properly drawn up so as to exhibit October, 1949, according to the best of our information, the explanations given to us, and

Brantford Roofing Company, Limited

And Wholly-Owned Subsidiary Companies

Brantford Roofing (Maritimes) Limited

Brantford Felt and Paper Company, Limited

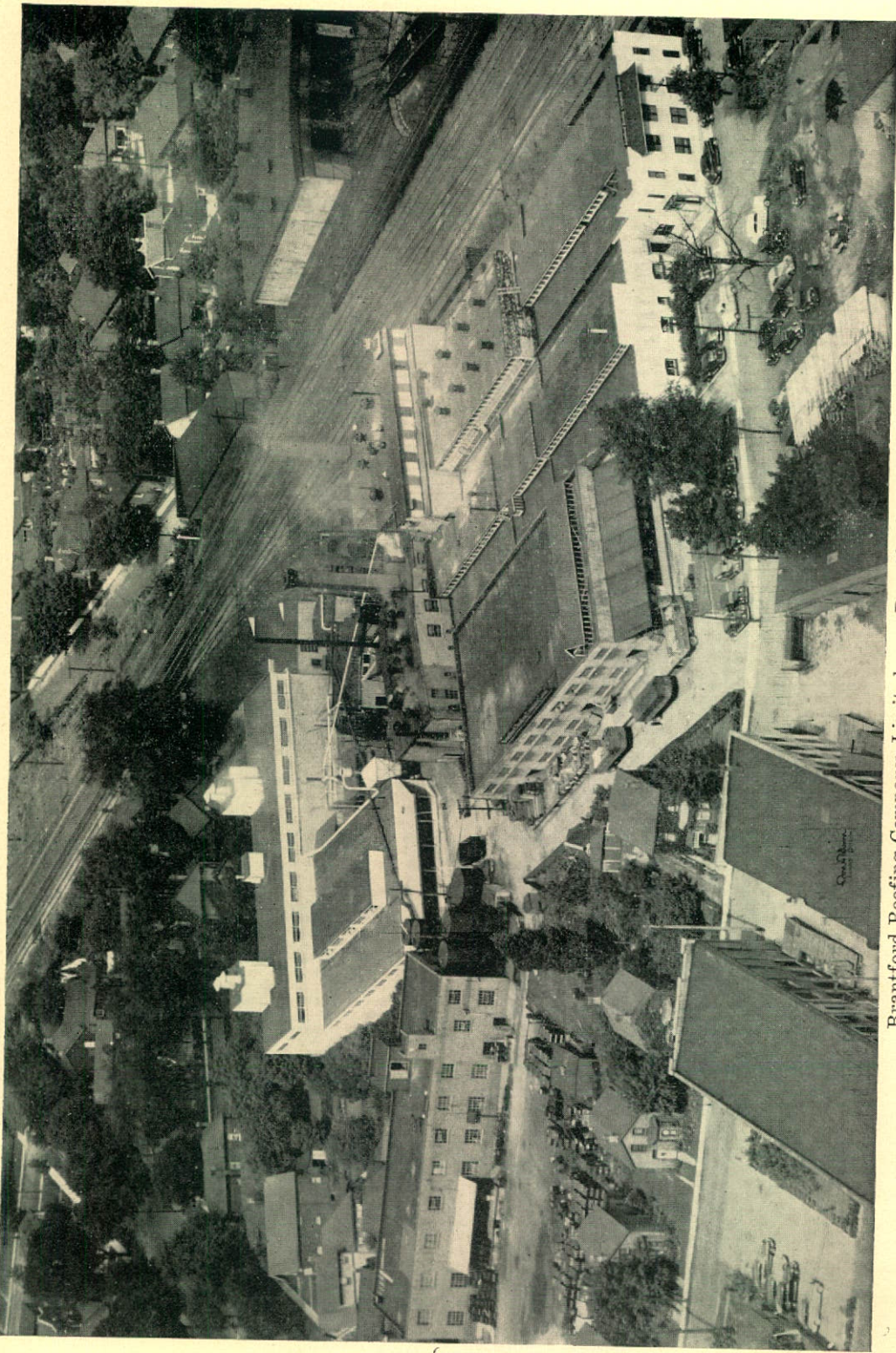
CONSOLIDATED STATEMENT OF EARNINGS

For the Year Ended 31st October, 1949

Gross Profit from Operations for the year ended 31st October, 1949, after providing for all expenses (including Bad and Doubtful Debts) except the undernoted	\$460,797.57
Management Salaries to Executive Officers of Company and Subsidiaries, including Directors' Fees for Subsidiaries	\$ 28,383.30
Directors' Fees	2,500.00
Legal Fees	66.50
Interest on Funded Debt	15,800.00
Provision for Depreciation of Buildings and Machinery	115,935.83
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	\$162,685.63
ADD: Interest Received on Investments	\$298,111.94
	1,560.00
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NET EARNINGS FOR THE YEAR ENDED 31ST OCT., 1949	\$299,671.94
(Before Provision for Government Profits Taxes)	
Provision for Government Profits Taxes	119,000.00
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NET PROFIT FOR THE YEAR (Transferred to Earned Surplus)	\$180,671.94

CONSOLIDATED STATEMENT OF EARNED SURPLUS

CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1948	\$451,985.43
ADD:	
Net Profit for the Year (per statement attached)	\$180,671.94
Adjustment re Refundable Portion of Excess Profits Taxes	2,151.75
Profit on Sale of Fixed Assets	60.00
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	\$182,883.69
DEDUCT:	
Dividends Paid, \$1.00 per share	\$634,869.12
	43,515.00
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CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1949	\$591,354.12



Brantford Roofing Company, Limited — Brantford, Ontario, Canada

Brantford Roofs

TRADE - MARK REG'D

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Brantford Asphalt Roofing Products are distributed under Brantford Roofing Trade Marks through Brantford Roofing Dealers. Stocks carried, information furnished, service rendered by our dealer in your district.

OR WRITE

Direct to the Head Office at Brantford, Ontario, or our nearest Branch Office.

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Brantford Roofing Company, Limited

Head Office and Factory - Brantford, Ontario

Brantford Roofing (Maritimes) Limited

Head Office and Factory - Coldbrook, N.B.

Brantford Felt and Paper Company, Limited

Thorold, Ontario

Branch Offices and Warehouses

Toronto, Montreal, Winnipeg, Halifax, N.S., Saint John, N.B.

Brantford Roofing Products

Asphalt Shingles

Insulated Sidings

Roll Roofings

Carpet Felt

Dry and Saturated Sheathings

Built-Up Roofing Materials

Waterproofing Materials

Asphalt Emulsion

Mastic Flooring

