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ANNUAL REPORT AND STATEMENTS

— OF —

Brantford Roofing Company, Limited

Brantford, Ontario

and its wholly owned Subsidiaries

Brantford Roofing (Maritimes) Limited

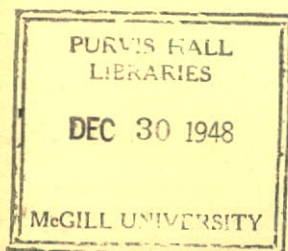
Coldbrook, N.B.

Brantford Felt and Paper Company, Limited

Thorold, Ontario

Brantford, Canada

October 31st, 1948



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, 1948

TO THE SHAREHOLDERS:

Your Directors are pleased to submit the Consolidated Balance Sheet, Statement of Earnings and Surplus of the Company for the year ended October 31st, 1948, as certified by your Auditors, Messrs. Glendinning, Jarrett, Gray & Roberts.

The year's operations resulted in a Net Profit of \$147,-892. or \$3.40 per share compared with \$3.00 in 1947. This result is after providing from earnings \$107,611. for depreciation of plant, compared with \$51,782. in the previous year. Government Profit Taxes required \$102,500. or \$2.35 per share. Two dividends were paid during the year in a total of 80 cents per share.

These results were made possible by the highest sales in your Company's history and increased operating efficiency resulting from the substantial expenditures which have been made on plant equipment. During the year obsolete plant assets in the amount of \$23,202. were retired and capital additions amounted to \$95,298. During the year a new Felt Warehouse was completed at Brantford Roofing (Maritimes) Limited and a Laboratory Building erected and equipped at Brantford. Major additions are now largely complete but our policy of improving all manufacturing facilities will require continued expenditure.

The net working capital increased by \$100,970. and now stands at \$542,415.

General trade conditions indicate a large part of the new building backlog has been satisfied and normal seasonal trends in demand are becoming more evident. Our products are well recognized for their quality and the outlook for 1949 is satisfactory. Since the close of the year a dividend of 50c per share has been declared, payable February 1st, 1949.

Relations with our Working Staff have continued at an excellent level and your Directors wish to record their appreciation of the services of our Executive Staff and Employees, throughout the Company's entire organization.

Submitted on behalf of the Board.

ARNOLD G. HITCHON,
President.

Brantford, Ontario,
December 17th, 1948.

Brantford Roofing (Maritimes) Limited

Consolidated Balance Sheet

ASSETS

CURRENT ASSETS:

Cash on Hand and in Bank	\$272,389.42	
Investments — Dominion of Canada		
3% Bonds at Par	30,000.00	
(Market Value \$31,387.00)		
Receivables — Less Reserves	340,169.13	
Inventories at lower of Cost or Market, as certified by the Management	312,517.31	
	\$ 955,075.86	

OTHER ASSETS:

Cash and Investments with Trustee as secur- ity for Roofing Contracts (Total Market Value \$23,650.00)	\$ 25,210.54	
Refundable Portion of Excess Profits Taxes	23,000.00	
Prepaid Expenses — Insurance, etc.	11,343.58	
	\$ 59,554.12	
	\$1,014,629.98	

FIXED ASSETS:

Land, Buildings and Machin- ery, as appraised by Ster- ling Appraisal Co. Limited in 1927 plus subsequent additions at cost	\$1,621,259.86	
Less: Reserve for Depre- ciation	879,451.35	
	\$741,808.51	
Automobiles, Trucks, etc., at cost, less amounts written off	\$ 26,007.77	
	\$ 767,816.28	

Approved on behalf of the Board:

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

\$1,782,446.26

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

We have audited the books and accounts of the Brantford Roofing Company, Limited information and explanations we have required. We certify that, in our opinion, the above of the state of the consolidated affairs of the Company as at 31st October, 1948, according of the Company.

Brantford, Ontario, 16th December, 1948.

Company, Limited

(Subsidiaries)

Brantford Felt and Paper Company, Limited

Statement as at 31st October, 1948

LIABILITIES

CURRENT LIABILITIES:

Accounts Payable	\$360,546.52	
Sales Tax, etc.	2,077.40	
Accrued Bond Interest	8,350.00	
Serial Bonds due 1st November, 1948	30,000.00	
Reserve for Government Profits Taxes, less Instalment Payments	53,240.13	
		\$ 454,214.05
RESERVE FOR ROOFING CONTRACTS		18,000.00
		<u>\$ 472,214.05</u>

BONDS:

Authorized:

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

Issued:

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

Outstanding:

\$90,000.00 3% Serial Bonds,
maturing \$30,000.00 on 1st
November in each of the next
three years

\$90,000.00

Less: Bonds due 1st November,
1948

30,000.00

\$ 60,000.00

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

\$350,000.00

\$ 410,000.00

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)

451,985.43

\$1,782,446.26

ed, and its Subsidiaries, for the year ended 31st October, 1948, and we have obtained all the Consolidated Balance Sheet is properly drawn up so as to exhibit a true and correct view to the best of our information and the explanations given to us and as shown by the books

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

Brantford Roofing Company, Limited

(and Its Subsidiaries)

Brantford Roofing (Maritimes) Limited

Brantford Felt and Paper Company, Limited

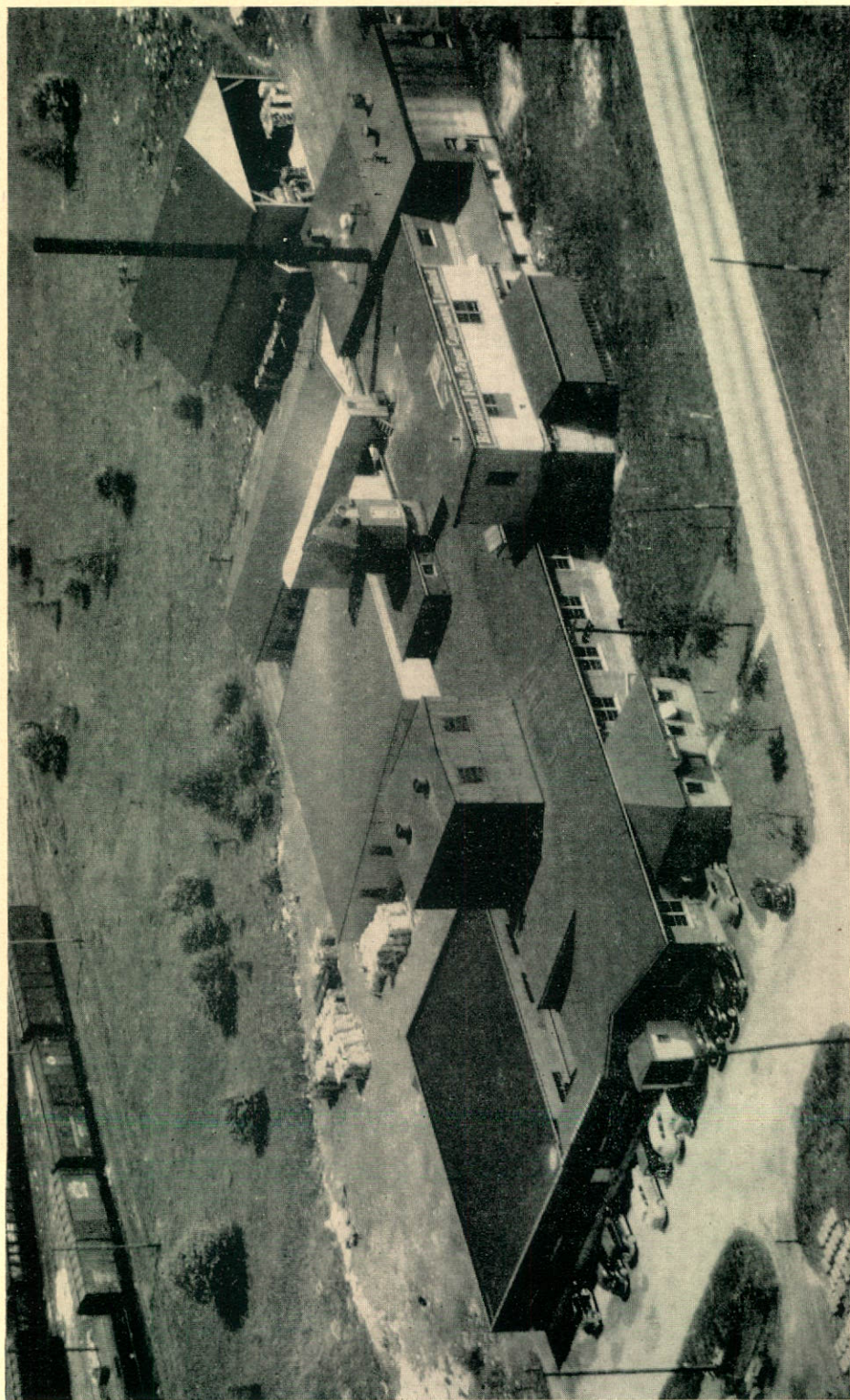
CONSOLIDATED STATEMENT OF EARNINGS

For the Year Ended 31st October, 1948

Gross Profit from Operations for the year ended 31st October, 1948, after providing for all expenses (including Bad and Doubtful Debts) except the undernoted	\$399,265.92
Management Salaries to Executive Officers of Company and Subsidiaries, including Directors' Fees for Subsidiaries	\$ 25,908.20
Directors' Fees	1,500.00
Legal Fees	126.50
Interest on Funded Debt	16,700.00
Provision for Depreciation of Buildings and Machinery	107,611.52
	<hr/> \$151,846.22
	\$247,419.70
ADD: Interest Received on Investments	2,972.47
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NET EARNINGS FOR THE YEAR ENDED 31ST OCT., 1948	\$250,392.17
(Before Provision for Government Profit Taxes)	
Provision for Government Profit Taxes	102,500.00
	<hr/>
NET PROFIT FOR THE YEAR (Transferred to Earned Surplus)	\$147,892.17

CONSOLIDATED STATEMENT OF EARNED SURPLUS

CONSOLIDATED EARNED SURPLUS, 31ST OCT., 1947	\$315,642.76
ADD:	
Net Profit for the year (per statement attached)	\$147,892.17
Refundable Portion of Excess Profits Taxes	23,000.00
Profit on Sale of Investments	262.50
	<hr/> \$171,154.67
	\$486,797.43
DEDUCT:	
Dividends Paid 80c per share	34,812.00
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CONSOLIDATED EARNED SURPLUS, 31ST OCTOBER, 1948	\$451,985.43



Brantford Felt and Paper Company, Limited — Thorold, Ontario, Canada

Brantford Roofs

TRADE - MARK 1927



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.



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

