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TWENTY-SEVENTH

Annual Report

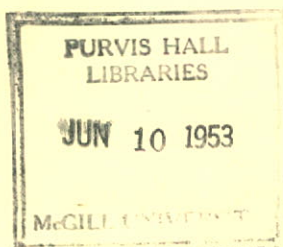
FOR THE YEAR ENDED
OCTOBER 31, 1951



THE BRANTFORD CORDAGE COMPANY
Limited

BRANTFORD

CANADA



Directors and Officers

BOARD OF DIRECTORS

A. M. JAMES
J. A. MCKAY
W. M. MESSECAR

B. B. OSLER, K.C.
E. E. SMITH
H. R. TUDHOPE, O.B.E.

OFFICERS

W. M. MESSECAR President
A. M. JAMES Vice-President
E. E. SMITH Secretary-Treasurer

BANKERS

THE BANK OF NOVA SCOTIA
THE MERCHANTS NATIONAL BANK OF BOSTON

TRANSFER AGENTS

THE TORONTO GENERAL TRUSTS CORPORATION
Toronto, Canada

REGISTRAR

THE NATIONAL TRUST COMPANY, LIMITED
Toronto, Canada

AUDITORS

GLENDINNING, JARRETT, GRAY AND ROBERTS
Brantford, Canada

THE BRANTFORD CORDAGE COMPANY

Report of the Board of Directors

TO THE SHAREHOLDERS —

Your Directors submit herewith the Annual Report of the Company for the year ended October 31st, 1951, with comparative figures for the previous fiscal year.

The operations for the year, after providing for depreciation and Dominion and Provincial taxes, show a profit of \$302,669.61.

Sales for the year under review were at the highest level in the Company's history and in order to meet the demand for Binder Twine and (Hay) Baler Twine it was necessary to operate the mills on an overtime and extra shift basis for the greater part of the year. The first complete year of operation of the Rope and Tying Twine departments has been quite satisfactory and well up to expectations.

Our average costs of raw material were at considerably higher levels than for the previous year and the comparative increase in inventory values is attributable to this factor. Current raw material costs remain at high levels. In addition to higher raw material values some considerable difficulty and unexpected extra cost has been experienced in obtaining delivery of fibre under outstanding contracts with certain suppliers in some of the foreign countries where the fibre is produced.

Total dividends paid during the 1951 fiscal year amounted to \$60,000.00 which represented a Dividend of \$1.00 per share on each of the 60,000 Class "A" Shares outstanding.

Your Directors wish to again place on record their continued appreciation of the loyal and whole-hearted co-operation of the executive officers, departmental heads and employees in all branches of the Company's work.

All of which is respectfully submitted on behalf of the Board of Directors.

W. M. MESSECAR,
President.

December 3rd, 1951.

L I M I T E D . . . B R A N T F O R D , C A N A D A

Auditors' Report

TO THE SHAREHOLDERS,
THE BRANTFORD CORDAGE COMPANY, LIMITED.

We have examined the books and accounts of The Brantford Cordage Company, Limited, for the year ended October 31st, 1951, and have obtained all the information and explanations we have required. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We report that, in our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Company, the accompanying Balance Sheet and Statements of Profit and Loss and Surplus are properly drawn up in conformity with accepted accounting principles applied on a basis consistent with that of the preceding year so as to exhibit a true and correct view of the state of the Company's affairs as at October 31st, 1951, and the results of the Company's operations for the year ended on that date.

GLENDINNING, JARRETT, GRAY & ROBERTS,
Chartered Accountants.

Brantford, Ontario,
December 1st, 1951.

Balance Sheet

THE BRANT

OCTOBER

(With comparative balance)

Assets

CURRENT ASSETS:

	1951	1950
Cash on Hand and in Banks	\$ 95,303.12	\$ 67,054.86
Accounts Receivable less Reserve for Doubtful Accounts, etc.	629,881.69	568,098.44
Inventories of Raw Materials, Goods in Process, Finished Goods and Factory Supplies, based on quantities certified by the Management, valued at the lower of Cost or Market	2,619,516.67	1,715,934.15
Less Inventory Reserve	150,000.00	150,000.00
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	\$2,469,516.67	\$1,565,934.15
Refundable Portion of Dominion Excess Profits Taxes		179.78
Insurance and Other Prepaid Items	5,651.94	4,491.00
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Total Current Assets	\$3,200,353.42	\$2,205,758.23

FIXED ASSETS:

(On basis of appraisal March 1st, 1925, by Lockwood, Green and Company of Canada Limited, plus subsequent additions at cost)

Land	40,730.55	40,730.55
Buildings	507,936.12	431,591.79
Machinery and Equipment	1,020,829.73	910,976.44
Motor Vehicles	27,853.16	23,083.53
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	\$1,597,349.56	\$1,406,382.31
Less: Reserve for Depreciation	1,076,822.74	1,052,248.63
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	\$ 520,526.82	\$ 354,133.68
TRADE MARKS, PATENT RIGHTS AND GOODWILL	1.00	1.00
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	\$3,720,881.24	\$2,559,892.91

Approved on behalf of the Board:

W. M. MESSECAR, *Director.*

E. E. SMITH, *Director.*

F O R D C O R D A G E C O M P A N Y L I M I T E D

31st, 1951

(as at October 31st, 1950)

Liabilities

CURRENT LIABILITIES:	1951	1950
Bank Loan	\$ 575,000.00	
Accounts Payable	476,700.89	\$ 128,185.55
Provincial Corporation and Other Taxes Payable	12,045.21	6,011.54
Government Income Taxes Payable	265,184.00	276,414.29
Dividend Declared and Payable on Class "A" Shares December 1st	15,000.00	15,000.00
Total Current Liabilities	<u>\$1,343,930.10</u>	<u>\$ 425,611.38</u>

CAPITAL STOCK:

Authorized and Issued:

60,000 Class "A" Shares without Nominal or Par Value carrying a Fixed, Preferential Cumulative Dividend of \$1.00 per Share per Annum. Convertible into Class "B" Shares.	}	380,000.00	380,000.00
80,000 Class "B" Shares without Nominal or Par Value.			

SURPLUS:

Earned Surplus as per statement attached	1,996,951.14	1,754,281.53
	<u>\$3,720,881.24</u>	<u>\$2,559,892.91</u>

CONTINGENT LIABILITY:

The Company has signed Contracts amounting to \$142,540.00 for additions to Fixed Assets not included in above.

Submitted with our Report dated December 1st, 1951.

GLENDINNING, JARRETT, GRAY & ROBERTS,
Chartered Accountants.

THE BRANTFORD CORDAGE COMPANY

Statement of Earned Surplus

For the year ended October 31st, 1951

(With a comparative statement for the year ended October 31st, 1950)

	1951	1950
EARNED SURPLUS AT BEGINNING OF YEAR	\$1,754,281.53	\$1,733,976.55
Add:		
Net profit for the year transferred from Statement of Profit and Loss	302,669.61	321,277.25
	<u>\$2,056,951.14</u>	<u>\$2,055,253.80</u>
Deduct:		
Dividends declared during the year:		
Preference Shares		19,771.70
Common Shares		189,980.50
Class "A" Shares	60,000.00	45,000.00
Premium on Redemption of Preference Shares		46,220.07
	<u>\$ 60,000.00</u>	<u>\$ 300,972.27</u>
EARNED SURPLUS AS PER BALANCE SHEET	<u>\$1,996,951.14</u>	<u>\$1,754,281.53</u>

LIMITED . . . BRANTFORD, CANADA

Statement of Profit & Loss

For the year ended October 31st, 1951

(With a comparative statement for the year ended October 31st, 1950)

	1951	1950
INCOME FROM OPERATIONS for the year after providing for Expenses, except the undernoted	\$751,304.04	\$924,419.50
Profit on Sale of Fixed Assets	814.63	2,100.00
	<u>\$752,118.67</u>	<u>\$926,519.50</u>
Deduct:		
Remuneration to Executive Officers including all Salaried Directors and Legal Fees	72,744.48	83,839.44
Directors' Fees	7,000.00	6,000.00
Provision for Depreciation on Fixed Assets	54,704.58	45,402.81
	<u>\$134,449.06</u>	<u>\$135,242.25</u>
Operating Profit, before providing for Government Income Taxes and tax paid Inventory Reserve	\$617,669.61	\$791,277.25
Deduct:		
Provision for Government Income Taxes	315,000.00	320,000.00
Tax paid Inventory Reserve		150,000.00
	<u>\$315,000.00</u>	<u>\$470,000.00</u>
NET PROFIT for the year transferred to Earned Surplus	<u>\$302,669.61</u>	<u>\$321,277.25</u>

