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TWENTY-SIXTH

# *Annual Report*

FOR THE YEAR ENDED  
OCTOBER 31, 1950



**THE BRANTFORD CORDAGE COMPANY**  
— Limited

**BRANTFORD**

**CANADA**

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# *Directors and Officers*

## *BOARD OF DIRECTORS*

A. M. JAMES	J. A. MCKAY
P. R. LOGAN	B. B. OSLER, K.C.
W. M. MESSECAR	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, 1950, with comparative figures for the previous fiscal year.

The operations for the year, after providing for depreciation, Dominion and Provincial taxes and a tax paid inventory reserve, show a profit of \$321,277.25.

During the year under review your Directors considered it advisable to call for redemption 30,762 outstanding Cumulative Redeemable Sinking Fund First Preference Shares of the Par Value of \$25.00 per Share. By By-law of the Company, confirmed by Supplementary Letters Patent, granted the Company on February 20th, 1950, the then remaining Capital Stock, consisting of 80,000 Common Shares without Nominal or Par Value, was converted into 60,000 Class "A" Shares without Nominal or Par Value and 80,000 Class "B" Shares without Nominal or Par Value. This Capital re-arrangement was approved and confirmed by the Shareholders at a special general meeting held on February 17th, 1950.

Combined dividends paid on the First Preference Shares, the Common Shares and the new Class "A" Shares during the 1950 fiscal year amounted to \$239,752.20.

During 1948 your Directors determined to proceed with a proposal which they had had under serious consideration for some time to effect some diversification of the Company's operations. Orders were placed for equipment suitable for the manufacture of a full range of Rope and Tying Twines. It is a pleasure to announce that this program has now been completed and the new equipment has been installed and is in operation. As a result, the Plant is now producing a complete line of hard fibre cordage products consisting of Binder Twine, Baler Twine, Rope and Tying Twine.

Your Directors wish to 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 13th, 1950.

*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, 1950, 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, 1950, and the results of the Company's operations for the year ended on that date.

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

Brantford, Ontario,  
December 11th, 1950.

# Balance Sheet

# THE BRANT

## OCTOBER 31

(With comparative balances)

### Assets

#### CURRENT ASSETS:

	1950	1949
Cash on Hand and in Banks .....	\$ 67,054.86	\$1,129,405.61
Accounts Receivable less Reserve for Doubtful Accounts, etc. ....	568,098.44	153,431.26
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 .....	1,715,934.15	1,407,450.92
Less Inventory Reserve .....	150,000.00	
	<u>\$1,565,934.15</u>	
Refundable Portion of Dominion Excess Profits Taxes .....	179.78	9,443.32
Insurance and Other Prepaid Items .....	4,491.00	4,133.36
Total Current Assets .....	<u>\$2,205,758.23</u>	<u>\$2,703,864.47</u>

#### 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 .....	431,591.79	431,591.79
Machinery and Equipment .....	910,976.44	871,059.33
Motor Vehicles .....	23,083.53	19,296.53
	<u>\$1,406,382.31</u>	<u>\$1,362,678.20</u>
Less: Reserve for Depreciation .....	1,052,248.63	1,019,719.77
	<u>\$ 354,133.68</u>	<u>\$ 342,958.43</u>
TRADE MARKS, PATENT RIGHTS AND GOODWILL .....	1.00	1.00
	<u>\$2,559,892.91</u>	<u>\$3,046,823.90</u>

Approved on behalf of the Board:

W. M. MESSECAR, *Director.*

E. E. SMITH, *Director.*

# FORD CORDAGE COMPANY LIMITED

1st, 1950

(as at October 31st, 1949)

## Liabilities

### CURRENT LIABILITIES:

	1950	1949
Accounts Payable .....	\$ 128,185.55	\$ 71,738.89
Provincial Corporation and Other Taxes Payable .....	6,011.54	3,670.25
Government Income Taxes Payable .....	276,414.29	88,388.21
Dividend Declared and Payable on Class "A" Shares December 1st, 1950 .....	15,000.00	
<b>Total Current Liabilities .....</b>	<b>\$ 425,611.38</b>	<b>\$ 163,797.35</b>

### 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	
80,000 Class "B" Shares without Nominal or Par Value. } .....		380,000.00
80,000 Common Shares without Nominal or Par Value .....		380,000.00
(By By-law of the Company, confirmed by Supplementary Letters Patent dated February 20th, 1950, the 80,000 Com- mon Shares of the Capital Stock of the Company were con- verted into 60,000 Class "A" Shares without Nominal or Par Value and 80,000 Class "B" Shares without Nominal or Par Value.)		
First Preference Shares Issued .....	33,590	
Redeemed to October 31st, 1949 .....	2,828	
Outstanding at October 31st, 1949 .....	30,762	769,050.00
Less Redeemed to April 15th, 1950 .....	<u>30,762</u>	
<b>Total Capital Stock .....</b>	<b>\$ 380,000.00</b>	<b>\$1,149,050.00</b>

### SURPLUS:

Earned Surplus as per statement attached .....	1,754,281.53	1,733,976.55
	<u>\$2,559,892.91</u>	<u>\$3,046,823.90</u>

### CONTINGENT LIABILITY:

The Company has signed Contracts amounting to \$169,627.24 for additions to Fixed Assets not included in above.

Submitted with our Report dated December 11th, 1950.

GLENDINNING, JARRETT, GRAY & ROBERTS,  
Chartered Accountants.

# THE BRANTFORD CORDAGE COMPANY

## *Statement of Earned Surplus*

For the year ended October 31st, 1950

(With a comparative statement for the year ended October 31st, 1949)

	1950	1949
EARNED SURPLUS AT BEGINNING OF YEAR .....	\$1,733,976.55	\$1,566,017.90
Add:		
Net Profit for the year, Transferred from Statement of Profit and Loss .....	321,277.25	230,382.44
Adjustment re Prior Years' Tax Assessments .....		17,987.16
	<u>\$2,055,253.80</u>	<u>\$1,814,387.50</u>
Deduct:		
Dividends Paid:		
Preference Shares .....	19,771.70	40,272.68
Common Shares .....	189,980.50	39,922.00
Class "A" Shares .....	30,000.00	
Premium on Redemption of Preference Shares .....	46,220.07	216.27
Dividends Declared and Payable December 1st, 1950:		
Class "A" Shares .....	15,000.00	
	<u>\$ 300,972.27</u>	<u>\$ 80,410.95</u>
EARNED SURPLUS AS PER BALANCE SHEET .....	<u>\$1,754,281.53</u>	<u>\$1,733,976.55</u>



# LIMITED . . . BRANTFORD, CANADA

## *Statement of Profit & Loss*

For the year ended October 31st, 1950

(With a comparative statement for the year ended October 31st, 1949)

	1950	1949
INCOME FROM OPERATIONS for the Year after providing for Expenses and in Year 1950 for a tax paid Reserve of \$150,000.00 against possible Inventory losses, except the undernoted .....	\$774,419.50	\$457,398.28
Profit on Sale of Fixed Assets .....	2,100.00	43.21
	<u>\$776,519.50</u>	<u>\$457,441.49</u>
Deduct:		
Remuneration to Executive Officers including all Salaried Directors, and Legal Fees .....	83,839.44	47,258.68
Directors' Fees .....	6,000.00	7,000.00
Provision for Depreciation on Fixed Assets .....	45,402.81	22,800.37
	<u>\$135,242.25</u>	<u>\$ 77,059.05</u>
Operating Profit, before Providing for Government Income Taxes .....	\$641,277.25	\$380,382.44
Deduct:		
Provision for Government Income Taxes .....	320,000.00	150,000.00
NET PROFIT for the Year, Transferred to Earned Surplus	<u>\$321,277.25</u>	<u>\$230,382.44</u>





