

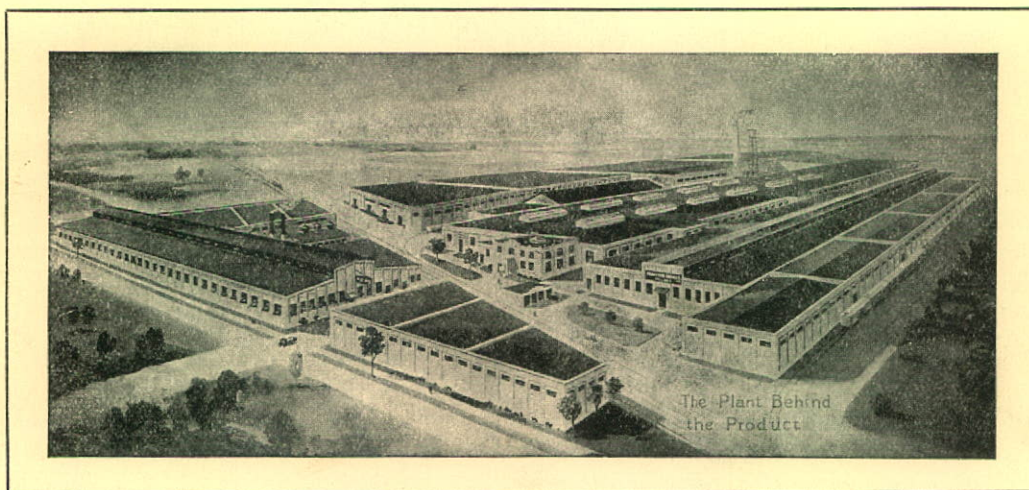
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ANNUAL REPORT

OF THE

BOARD OF DIRECTORS

For Fiscal Year Ended August 31st, 1945.



The Brantford Cordage Co., Limited
—
Brantford, Canada

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The Brantford Cordage Co.

Limited

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors submit herewith the Annual Report of the Company for the year ended August 31, 1945.

The operations for the year, after providing for Depreciation and Dominion of Canada Taxes, show a profit of \$112,346.66 compared with \$145,129.39 for the previous year. This reduction in profit, apart from the difference in the portion resulting from reduction in Inventory Reserve, is the result of an increase in subsidized fibre costs without any corresponding increase in the ceiling price of the finished binder twine, and in consequence, the profits earned were considerably below Standard Profits. The Government still finds it necessary to provide fibre on a subsidized basis and it is not known at present how long this condition will continue.

Regular quarterly dividends, amounting for the year to \$43,329.01 were paid on First Preference Shares, and commencing in January, regular quarterly dividends amounting to \$29,925.14 were paid on Common Shares.

Your Directors desire to place on record their continued appreciation of the loyal and whole-hearted co-operation of the executive officers, heads of departments 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

GILT EDGE 650 FT.
GOLD LEAF 600 FT.



SILVER LEAF 550 FT.
MAPLE LEAF 500 FT.

THE BRANTFORD CORDAGE COMPANY, LIMITED

MANUFACTURERS OF
BRANTFORD BINDER TWINE

BRANTFORD
CANADA

December 14, 1945.

Miss Beatrice V. Simon,
Librarian of Purvis Hall,
McGill University,
1020 Pine Ave., W.,
Montreal, Que.

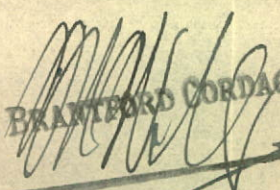
Dear Madam:

Referring to your letter of December 12, it would be difficult for us to find spare copies of our Annual Statement since the time of incorporation, but we are sending to you copies covering the past seven years.

We have no literature referring to history and activities of the Company and no literature covering industrial relations or personnel programme.

Yours truly,

WCW:CM


THE BRANTFORD CORDAGE CO. LIMITED
SECRETARY

Copies of statements mailed under separate cover.

Balance Sheet, August 31, 1945

Assets

CURRENT ASSETS:

Cash on hand and in Bank.....	\$1,081,269.78	
Inventories of Raw Materials, Goods in Process, Finished Goods and Factory Supplies, based on quantities certified by the Management, at cost not exceeding market value.....	224,200.16	
Accounts and Bills Receivable, less Reserve for Doubtful Accounts, etc.....	738,398.53	
		\$2,043,868.47

DEFERRED ASSETS:

Insurance Premiums, Prepaid.....	4,443.92	
Refundable Portion of Dominion Excess Profits Tax.....	17,500.00	
		21,943.92

SINKING FUND FOR RETIREMENT OF PREFERRED SHARES.....

10,274.70

FIXED ASSETS:

Land, Buildings, Machinery and Equipment (on basis of Appraisal, March 1, 1925, by Lockwood, Greene & Co. of Canada, Limited, plus subsequent additions at cost).....	1,238,522.33	
TRADE MARKS, PATENT RIGHTS AND GOODWILL.....		1.00

\$3,314,610.42

Liabilities

CURRENT LIABILITIES:

Accounts Payable, including Accrued Charges.....	\$ 27,071.08	
Provision for Dominion Taxes, including balance brought forward	\$ 70,862.07	
Less: Instalment Payments.....	44,799.96	
		26,062.11

53,133.19

RESERVE FOR DEPRECIATION ON FIXED ASSETS.....

945,633.94

INVENTORY RESERVE.....

25,361.39

CAPITAL STOCK, AUTHORIZED AND ISSUED:

33,590 Cumulative Redeemable Sinking Fund First Preference Shares of the Par Value of \$25.00 per share, callable at \$26.50 and accrued dividends per share, carrying dividends of \$1.30 per share per annum.....	\$839,750.00	
Less: 358 Shares Redeemed.....	8,950.00	
		\$830,800.00
Outstanding—33,232 Shares.....	380,000.00	
80,000 Common Shares without Nominal or Par Value.....		1,210,800.00

SURPLUS:

Deferred Surplus, Refundable Portion of Dominion Excess Profits Tax.....	17,500.00	
Earned Surplus, as per statement attached.....	1,062,181.90	
		1,079,681.90

APPROVED on behalf of the Board,

W. M. MESSECAR, President and General Manager (Director)

W. C. WELLS, Secretary-Treasurer (Director)

3,314,610.42

INCOME AND SURPLUS ACCOUNT — AUGUST 31, 1945

Balance at Credit, September 1, 1944.....	1,021,829.51	
Add: 1943 Subsidy adjustment.....		1,568.98
		\$1,023,398.49

Deduct:

Premium on First Preference Shares Redeemed.....	\$ 309.10	
Quarterly Dividends of 32½¢. per share paid on the 15th days of October, January, April and July on First Preference Shares.....	43,329.01	
Quarterly Dividends of 12½¢. per share paid on the 15th days of January, April, and July on Common Shares.....	29,925.14	
		73,563.25

949,835.24

Add: Profit for the year ended August 31, 1945, after provision of \$11,639.32 for

Depreciation.....	\$ 168,738.83	
Profit resulting from reduction in Inventory Reserve.....	13,607.83	

\$ 182,346.66

Deduct: Provision for Dominion Taxes

70,000.00

112,346.66

Credit Balance as per Balance Sheet, August 31, 1945.....

\$1,062,181.90

Included in the costs and expenses for the year are the following items: Directors' fees \$7,000.00; salaries, fees or other remuneration to counsel, solicitors or other legal advisers, and salaries of executive officers, including all salaried directors, \$51,865.84.

TO THE SHAREHOLDERS,

THE BRANTFORD CORDAGE COMPANY, LIMITED :

We have audited the books and accounts of The Brantford Cordage Company, Limited, and we certify that in our opinion the above Balance Sheet and Income and Surplus Account are properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st August, 1945, according to the best of our information and the explanations given to us, and as shown by the books of the Company. We have verified the cash on hand and in Bank and have received all the information and explanations we have required.

GLENDINNING, JARRETT, GRAY & ROBERTS, Chartered Accountants

Brantford, Ontario, December 4, 1945.

