

*Sample of  
report as issued  
by cigarette company*

United Cigarette Machine Company  
INCORPORATED

DIRECTORS

WALKER PETTYJOHN  
C. W. GOOCH  
G. E. VAUGHAN  
F. L. KNIGHT  
A. M. CAMPBELL  
W. F. HARWOOD  
GILES H. MILLER  
A. H. BURROUGHS  
F. E. MCGOWAN  
R. J. HANCOCK  
H. M. SACKETT

REPORT OF THE DIRECTORS

To be submitted to the Annual Meeting of the Stockholders, for the fiscal year ending December 31st, 1920, to be held in the Auditorium of the Young Men's Christian Association, Lynchburg, Virginia, Thursday, June 23rd, 1921, at 10 o'clock, A. M.

It is with much pleasure your Directors submit herewith Consolidated Balance Sheet and Profit and Loss Statement for the year 1920, showing earnings for the year before deducting taxes the sum of \$602,150.92, and after providing for the abnormal taxes in United States, Great Britain and Germany, aggregating a total of \$165,217.32, leaves a net balance to Profit and Loss of \$436,933.60 or .1849% on your outstanding Capital Stock of \$2,358,475.00.

ANALYSIS OF TAXES AS FOLLOWS

	TAXES
United States - - - -	\$82,562.13
Great Britain - - - -	61,288.02
Germany - - - -	21,367.17
Total - - - -	\$165,217.32

In compiling above earnings all Assets in Great Britain were figured on a basis of \$3.54 for the Pound Sterling, and all liquid Assets in Germany on a basis of 73.29 Marks to the dollar, which were the ruling rates of exchange as of December 31st, 1920, thereby making provision for all loss in exchange to which we were subjected to that date.

You will doubtless be pleased to learn that the operation of your Lynchburg Plant was by far the most profitable of any year in its history, as evidenced by a gross business of \$921,576.91 with an earning, before deducting taxes of \$158,026.16. For your information will state that during the war, when we could not fill orders from your Dresden Plant, there was an abnormal demand on your Lynchburg Plant. Very little, if any, steps were taken to care for this increased business, and your Directors realizing the vital importance of completing orders on the books proceeded to remodel and systematize the Plant to the end you could have large increased production with corresponding decreased costs. As a result of this you now have one of the most up to date, and thoroughly equipped plants in this country, and are now in a position to take care of business offered us in a most satisfactory manner.

Your President, accompanied by Directors F. L. Knight and F. E. McGowan, the latter being your Lynchburg Factory Manager, visited your branches in London and Germany during March and April last, and report your European affairs in first-class condition. The men in charge are thoroughly loyal and competent and we feel confident your interests are being looked after in a most satisfactory manner. Your Dresden Plant was being operated to capacity with over 1000 employees at work, and the future of that Branch is most encouraging.

*note*

By order of the Board,

A. M. CAMPBELL, President

Lynchburg, Va., U. S. A., June 23, 1921