

Guardian  
Capital Group  
Limited

Annual Report  
1985

# Guardian Capital Group Limited

## Annual Report 1985

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### To the Shareholders

Guardian Capital Group is a holding company which is engaged, through subsidiary and affiliated companies, in four areas of activity. We own 50% of Guardian Ruggles Crysdale Inc., an amalgamation of Guardian Capital Investment Counsel Limited and Ruggles & Crysdale, Inc. This company is engaged in the management of pension funds and private client portfolios, the sale and management of mutual funds and, in a separate division, corporate consulting work. We own 34% of Guardman Investment Management Services Inc., which manages Guardian-Morton Shulman Precious Metals Inc. and provides investment advice to the two Hume funds, Hume Growth & Income Fund and the Hume RRSP Growth & Income Fund. We own approximately 27% of Tyndall-Guardian Limited which is engaged through subsidiaries in investment management in Bermuda and in Jersey, and has trust companies in Jersey and the Bahamas. Last, but not least, mainly through our wholly-owned subsidiary, Guardian Growth Financial Services Limited, the company has a significant investment portfolio of its own which, together with other investments held in the parent, approximate in market value about \$9 million.

#### **Guardian Ruggles Crysdale Inc.**

The year 1985 saw the amalgamation of our investment counselling business with that of Ruggles & Crysdale, Inc., to form a new company called Guardian Ruggles Crysdale Inc. As commented on in our quarterly reports, the clients and the investment talents of the two organizations were largely complementary rather than competitive and therefore the idea of the amalgamation seemed to make sense from the early discussions of it. Since September, we have found that events have largely developed as we had anticipated they would, with the result that the combined organization is broader based and more efficient in many respects than was either of the previous organizations. While any merger takes considerable work and time to combine two organizations into an efficiently operating single organization, we believe that we have made good progress towards this objective and that, within the not too distant future, Guardian Ruggles Crysdale Inc. will be perceived as an efficient and diversified member of the investment community.

#### **Guardman Investment Management Services Inc.**

Guardman Investment Management Services Inc., which is our joint venture with Dr. Morton Shulman, Andrew Sarlos and Fred McCutcheon, a year ago was the manager only of Guardian-Morton Shulman Precious Metals Inc. Early in 1985, the group of four, as we refer to them, was appointed as the investment advisor to two new Hume mutual funds, which the Hume organization proposed to start during the course of calendar 1985. We prepared for this interesting and challenging task by regular meetings through the early part of the year. The initial launch of the two new Hume funds, the Hume Growth & Income Fund and the Hume RRSP Growth & Income Fund, happened in April of 1985 and, although the buildup of assets was initially slow, they have grown rapidly and steadily to their present size of \$120 million. This asset growth was greatly enhanced by the excellent per share performance of the funds. The financial results of Guardman Investment Management Services Inc. are incorporated on an equity accounting basis in Guardian Capital Group's consolidated financial statements.

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**Tyndall-Guardian Limited**

Tyndall-Guardian Limited, in which we have an approximately 27% interest, is a smaller version of Guardian Capital Group Limited, which is incorporated in and managed from Bermuda. The company, through subsidiaries, manages significant fiduciary assets in Bermuda and in Jersey in the Channel Islands and, through two trust companies, operates a general trust and corporate service business in the Channel Islands and in Nassau in the Bahamas. The company is rather well-financed and is intent on expanding its activities in the international portfolio management, trust and corporate services businesses.

**Guardian Growth Financial Services Limited**

Guardian holds most of its portfolio investments through a wholly-owned subsidiary, Guardian Growth Financial Services Limited. We use this money partly to fund and participate in our public mutual funds, partly to make specific complementary investments in securities which are not competitive with those which we are buying for clients, and partly to make private placement investments in interesting companies which we think have a very good intermediate term future. The portfolio investments of Guardian Growth Financial Services Limited, together with one portfolio investment held in the parent company, now total approximately \$9 million.

On behalf of the Board,

Yours sincerely,



Norman Short  
President

May 5, 1986



# Guardian Capital Group Limited and Subsidiary Companies

## Financial Highlights

December 31st:	1981	1982	1983	1984	1985
Year-end shares outstanding	1,099,449	1,042,767	1,003,643	999,293	1,061,793
<b>Value of Fiduciary Assets Managed and Advised (\$ Millions)</b>	616.1	917.4	1,150.9	1,178.2	1,752.8
<b>Revenues and Earnings</b>					
Gross revenues	\$4,045,247	\$5,145,564	\$6,631,231	\$9,036,053	\$6,897,525
Operating earnings	1,406,927	1,586,536	2,247,953	2,478,216	1,571,099
Net gain on investments	450,672	470,304	496,600	431,731	329,774
Earnings before tax and equity in other companies	1,857,599	2,056,840	2,744,553	2,909,947	1,900,873
Equity in earnings of other companies	670,420	262,265	456,697	604,128	824,882
Net earnings	1,714,478	1,397,634	1,844,499	2,274,334	1,754,503
Net earnings per average share outstanding	\$ 1.52	\$ 1.30	\$ 1.83	\$ 2.27	\$ 1.72
Dividends paid per share outstanding	\$ 0.50	\$ 0.62	\$ 0.65	\$ 0.75	\$ 0.75

May 27, 1986

**To the Shareholders,**

The stock and the bond markets of almost every country in the world showed remarkable strength in the first three months of 1986. As a result of this market strength, investment managers and investors had a favourable climate in which to work. Favourable influences included a substantial decline in oil prices which permitted further declines in interest rates.

Guardian's statements for the first three months of 1986 reflect both these positive macro influences and also the specific influence of the merger which took place in the latter part of last year whereby Guardian Capital Investment Counsel Limited merged its operations with those of Ruggles & Crysedale, Inc. to form Guardian Ruggles Crysedale Inc. As a result of this merger, the quarterly statements of Guardian Capital Group Limited include all the activities of our 50% owned Guardian Ruggles Crysedale Inc. and the minority interest in this subsidiary is shown under a separate caption in the earnings statement. Guardian's share of the earnings of Guardman Investment Management Services and Tyndall-Guardian Limited, on the other hand, are accounted for on an equity basis. Therefore, our investment in these companies is shown at our initial cost plus our share of their retained earnings. The earning power of our share of these affiliated activities is shown separately in the item "Equity in net earnings of other companies".

Each of these companies benefitted from the favourable climate in which they worked in the first quarter of the year, although each of them had to contend with the vigorous competition which is a feature of the present situation in almost all countries. Guardman showed substantial success in performance terms, with the results of the Hume Funds showing well in comparison with competing entities. Sales activities also proved to be successful, as increasing numbers of shareholders found that the efficient system and convenient method of investing combined with regular reporting of these funds' activities fitted in well with their needs and objectives. Tyndall-Guardian Limited is engaged through subsidiaries in various investment activities in different parts of the world. In each of these areas there is of course competition but in trust activities in particular it would seem that efficiency and reliability of performance is perhaps more important to the client than the very lowest administrative price.

All in all, one can say that the first quarter of the year was a satisfactory period for the investment business in general and for our company in particular. There will no doubt be periods in the future when general trends are less favourable than they have been. One of the encouraging features of the present era is that there are no particular distortions in the economy which need the correction of a tight money period which has often produced market weakness and economic recessions in the past. Therefore, our outlook at the present time continues to be constructive.

On behalf of the Board,

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Norman Short".

Norman Short  
President

GUARDIAN CAPITAL GROUP LIMITED

CONSOLIDATED STATEMENT OF EARNINGS

FOR THE THREE MONTHS ENDED MARCH 31, 1986  
(Unaudited)

	<u>1986</u>	<u>1985</u>
<b><u>INCOME</u></b>		
Basic management fees	\$1,822,377	\$1,119,997
Supplementary management fees	97,467	26,479
Consulting fees	118,592	-
Investment income -		
Film revenue	41,764	50,836
Other	<u>223,052</u>	<u>248,512</u>
	<u>2,303,252</u>	<u>1,445,824</u>
<b><u>EXPENSES</u></b>		
Operating costs	1,386,062	852,493
Amortization of films	-	125,000
Depreciation and other amortization	<u>39,717</u>	<u>22,357</u>
	<u>1,425,779</u>	<u>999,850</u>
Operating profit	877,473	445,974
Net gain on investments	<u>71,028</u>	<u>17,318</u>
Earnings before income taxes	<u>948,501</u>	<u>463,292</u>
Income taxes - Current	467,684	324,753
- Deferred	<u>38,183</u>	<u>( 63,968)</u>
	<u>505,867</u>	<u>260,785</u>
	442,634	202,507
Equity in net earnings of other companies	<u>282,650</u>	<u>204,862</u>
	725,284	407,369
Minority interest	<u>215,815</u>	<u>-</u>
<b><u>NET EARNINGS FOR THE PERIOD</u></b>	<b><u>\$ 509,469</u></b>	<b><u>\$ 407,369</u></b>
<b><u>NET EARNINGS PER SHARE</u></b>	<b><u>\$0.48</u></b>	<b><u>\$0.41</u></b>
Average shares outstanding during the period	<u>1,061,793</u>	<u>999,293</u>

GUARDIAN CAPITAL GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN NET ASSETS

FOR THE THREE MONTHS ENDED MARCH 31, 1986  
(Unaudited)

	<u>1986</u>	<u>1985</u>
<u>NET ASSETS AT BEGINNING OF PERIOD</u>	\$18,603,661	\$16,051,628
Increased by:		
Net earnings for the period	<u>509,469</u>	<u>407,369</u>
<u>NET ASSETS AT END OF PERIOD</u>	<u>\$19,113,130</u>	<u>\$16,458,997</u>



# Consolidated Balance Sheet

as at December 31, 1985

	1985	1984
<b>Assets</b>		
Investments —		
Companies — at equity (Note 3)	\$ 5,682,440	\$ 4,676,074
Portfolio — at cost	6,868,405	6,503,004
Tax shelters —		
Films — at cost, less accumulated amortization	—	500,000
Oil and gas — at cost	102,753	105,600
Cash and short-term deposits	1,986,300	3,112,621
Receivables	1,825,407	948,180
Prepaid expenses	97,320	61,943
Fixed assets (Note 4)	401,805	300,841
Goodwill — at cost, less accumulated amortization	6,817,981	2,759,736
	<b>\$23,782,411</b>	<b>\$18,967,999</b>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	\$ 1,050,090	\$ 688,023
Income taxes —		
Currently payable	161,370	1,643,470
Deferred	127,704	525,680
Deferred gains	59,198	59,198
	<b>1,398,362</b>	<b>2,916,371</b>
Minority shareholders' interest in subsidiaries	<b>3,780,388</b>	—
<b>Shareholders' Equity</b>		
Capital stock (Note 5)		
Authorized —		
2,216,709 shares without par value;		
(1984 — 2,216,909 shares)		
Issued and fully paid —		
1,061,793 shares;		
(1984 — 999,493 shares)	6,577,648	5,328,714
Unrealized foreign exchange gain	708,000	411,000
Retained earnings	11,318,013	10,314,855
	<b>18,603,661</b>	<b>16,054,569</b>
Less: 200 shares owned by the Company	—	2,941
	<b>18,603,661</b>	<b>16,051,628</b>
	<b>\$23,782,411</b>	<b>\$18,967,999</b>

The accompanying notes are an integral part of these consolidated financial statements.

Signed on behalf of the Board  
Norman J. Short, Director  
John Christodoulou, Director

Guardian  
Capital Group  
Limited  
and Subsidiary  
Companies

Consolidated  
Statement  
of Earnings

for the year ended  
December 31, 1985

	1985	1984
<b>Income</b>		
Basic management fees	\$5,294,576	\$4,294,589
Supplementary management fees	218,705	416,231
Investment income —		
Film revenue	459,000	3,352,301
Other	925,244	972,932
	<b>6,897,525</b>	<b>9,036,053</b>
<b>Expenses</b>		
Expenses exclusive of undernoted items	4,715,446	3,325,328
Amortization of films	500,000	3,000,000
Depreciation and other amortization	106,389	72,360
Interest	4,591	160,149
	<b>5,326,426</b>	<b>6,557,837</b>
	<b>1,571,099</b>	<b>2,478,216</b>
<b>Net gain on investments</b>	<b>329,774</b>	<b>431,731</b>
	<b>1,900,873</b>	<b>2,909,947</b>
<b>Income taxes</b>		
Current	1,274,588	2,042,422
Deferred	(397,976)	(802,681)
	<b>876,612</b>	<b>1,239,741</b>
	<b>1,024,261</b>	<b>1,670,206</b>
<b>Equity in net earnings of other companies</b>	<b>824,882</b>	<b>604,128</b>
	<b>1,849,143</b>	<b>2,274,334</b>
<b>Minority Interest</b>	<b>94,640</b>	<b>—</b>
<b>Net earnings for the year</b>	<b>\$1,754,503</b>	<b>\$2,274,334</b>
<b>Net earnings per share (Note 7)</b>	<b>\$1.72</b>	<b>\$2.27</b>

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated  
Statement  
of Retained  
Earnings

for the year ended  
December 31, 1985

	1985	1984
<b>Balance — Beginning of year</b>	<b>\$10,314,855</b>	<b>\$ 9,425,972</b>
Add:		
Net earnings for the year	1,754,503	2,274,334
	<b>12,069,358</b>	<b>11,700,306</b>
Deduct:		
Dividends	749,470	749,620
Loss on cancellation of Company's capital stock acquired from shareholders (Note 5)	1,875	635,831
	<b>751,345</b>	<b>1,385,451</b>
<b>Balance — End of year</b>	<b>\$11,318,013</b>	<b>\$10,314,855</b>

The accompanying notes are an integral part of these consolidated financial statements.

# Consolidated Statement of Changes in Net Assets

for the year ended  
December 31, 1985

	1985	1984
<b>Net assets — Beginning of year</b>	<b>\$16,051,628</b>	\$14,244,752
Increased by —		
Net earnings for the year	1,754,503	2,274,334
Issue of capital stock (Note 2)	1,250,000	—
Unrealized foreign exchange gain for the year	297,000	350,000
	<b>3,301,503</b>	2,624,334
Decreased by —		
Acquisition of Company's capital stock	—	67,838
Dividends	749,470	749,620
	<b>749,470</b>	817,458
	<b>2,552,033</b>	1,806,876
<b>Net assets — End of year</b>	<b>\$18,603,661</b>	\$16,051,628

The accompanying notes are an integral part of these consolidated financial statements.

## Auditors' Report to the Shareholders of Guardian Capital Group Limited

We have examined the consolidated balance sheet and the consolidated statement of portfolio investments of Guardian Capital Group Limited as at December 31, 1985 and the consolidated statements of earnings, retained earnings and changes in net assets for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the company as at December 31, 1985 and the results of its operations and the changes in its net assets for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, March 20, 1986

Smith, Nixon & Co.  
Chartered Accountants

Guardian  
Capital Group  
Limited  
and Subsidiary  
Companies

Consolidated  
Statement  
of Portfolio  
Investments

as at December 31, 1985

	Number of Shares or Units	Cost	Market Value
<b>Securities having a quoted market value</b>			
Guardian Pacific Rim Corporation — "A"	100,000	\$1,000,000	\$1,200,000
— warrants	100,000	16,781	152,000
— common	1,000	34,326	12,000
Tyndall-Guardian Wall Street Fund Ltd.	15,563	366,710	678,096
Tyndall-Guardian Investments Ltd. — "B"	17,237	512,148	624,847
Guardian Computer Trend Fund	50,301	501,500	522,123
Alexander and Alexander Services Inc.	10,000	422,681	464,935
American Barrick Resources Corporation	50,000	136,418	462,500
Wilshire Energy Resources	1,000,000	280,000	453,000
Diceon Electronics Inc.	10,000	198,272	272,668
American Sector Equities —			
Airlines & Aerospace	15,000	198,175	199,048
Electronics & Computers	15,000	198,175	199,258
Health Care	15,000	198,175	203,243
Insurance & Securities Dealers	15,000	198,175	199,467
Lifestyle	15,000	198,175	199,677
Cash	15,000	198,175	199,677
GAC Liquidating Trust Units of Beneficial Interest	38,699	139,876	189,395
GAC Units of Stub Interest	41,720	—	2,917
Tyndall-Guardian Commodity Fund Ltd.	5,284	120,050	170,234
Guardian Growth Fund Ltd.	4,904	22,625	103,862
The Sarlos & Zukerman Fund	100	86,701	100,764
Guardian Preferred Dividend Fund Ltd.	10,498	126,521	99,000
Canadian Imperial Bank of Commerce —			
Floating rate preference shares	100	10,080	10,063
		5,163,739	\$6,718,774
<b>Securities not having a quoted market value</b>			
International Imaging Materials Inc. "A"	94	393,881	
Robert Cooper Productions Inc. —			
Common	1,750,000	297,500	
Class B pref.	30,000	300,000	
Productivity Software International	1.5	206,775	
Corrections Corporation of America	10,000	203,295	
Cooper Rosenfeld Productions Inc.	50	150,000	
Computer Science Capital	1	135,170	
The Cats Company of Canada	6.6	17,867	
Miscellaneous		178	
		1,704,666	
		\$6,868,405	

The accompanying notes are an integral part of these consolidated financial statements.

# Notes to Consolidated Financial Statements

for the year ended  
December 31, 1985

## 1. Summary of significant accounting policies

### (a) Principles of Consolidation

The consolidated financial statements include the accounts of the Company and all of its subsidiaries.

### (b) Investments

Investments in companies in which the Company has significant influence are accounted for by the equity method.

Portfolio investments are carried at cost.

The investment in films is amortized on a straight-line basis over three years or less, depending upon the estimated period during which any significant income from them can be anticipated.

Oil and gas investments are carried at cost.

### (c) Fixed Assets

Computer hardware and software are depreciated on the straight-line basis at 20% per annum.

The majority of the furniture and equipment is depreciated on the diminishing balance method at the rate of 20% per annum.

Leasehold improvements are amortized on the straight-line basis over the terms of the leases.

### (d) Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired. Goodwill which arose prior to March 31, 1974, does not, in the opinion of management, require amortization at this time. Goodwill acquired subsequently is being amortized on a straight-line basis over 40 years.

### (e) Income Taxes

Deferred income taxes are provided for revenue and expense items reported for tax purposes in periods different from those in which they have been reported for financial statement purposes.

### (f) Deferred Gains

The Company has deferred to future periods the gains on disposition of assets to companies which are accounted for by the equity method. The recognition of these gains is deferred until such assets are sold to third parties.

### (g) Translation of foreign currency

- I. Accounts in foreign currencies and of integrated foreign operations are translated into Canadian dollars as follows:
  - (i) cash, short-term deposits and receivables at the year-end exchange rate;
  - (ii) purchases and sales of investments and income and expenses at the rate of exchange prevailing on the respective dates of such transactions;
  - (iii) equity earnings at average monthly rates; and
  - (iv) the resulting foreign exchange gains and losses are included in the statement of earnings.
- II. Accounts of self-sustaining foreign operations are translated into Canadian dollars as follows:
  - (i) assets and liabilities at the year-end exchange rate;
  - (ii) income and expenses at average monthly rates; and
  - (iii) the resulting foreign exchange gains or losses are excluded from the statement of earnings until realized and are accumulated as a separate component of Shareholders' Equity.

### (h) Management Fees

The companies provide management, investment advisory and transfer agency services to mutual funds and investors on a contract basis in consideration for management fees.

Under some contracts the companies are entitled to earn supplementary fees if the managed portfolio outperforms certain stock market averages.

# Guardian Capital Group Limited and Subsidiary Companies

## Notes to Consolidated Financial Statements

for the year ended  
December 31, 1985

### 2. Business Combination

On September 3, 1985, the Company amalgamated its wholly-owned subsidiary, Guardian Capital Investment Counsel Limited with Ruggles & Crysdale, Inc. to continue investment management services as one corporation under the name of Guardian Ruggles Crysdale Inc. ("GRC"). As a result, the Company owns 50.02% of GRC. This business combination has been accounted for as a purchase and the results of operations have been included in the accompanying consolidated financial statements since acquisition.

The net assets acquired at fair values are as follows:

Assets	\$1,297,755
Goodwill	4,140,814
	5,438,569
Less: Liabilities assumed	431,843
	\$5,006,726
Consideration given:	
Investment in Guardian Capital Investment Counsel Limited	\$3,750,000
62,500 shares of Guardian Capital Group Limited	1,250,000
Cash	6,726
	\$5,006,726

### 3. Investments

Investments in companies accounted for by the equity method are:

	1985	1984
Tyndall-Guardian Limited — shares — Common — (27.18%; 1984 — 34.74%)	\$5,362,836	\$4,357,306
Guardman Investment Management Services Inc. — shares — Special — (37.2%) Common — (30.8%)	178,632 140,972	178,194 140,574
	\$5,682,440	\$4,676,074

### 4. Fixed Assets

	1985			1984
	Cost	Accumulated Depreciation and Amortization	Net	Net
Computer hardware and software	\$334,745	\$208,237	\$126,508	\$138,434
Furniture and equipment	463,529	216,220	247,309	158,136
Leasehold improvements	140,629	112,641	27,988	4,271
	\$938,903	\$537,098	\$401,805	\$300,841

### 5. Capital stock

During the year the Company cancelled 200 of its own shares which had been acquired in 1984. Such cancellation, which reduced the number of authorized and issued shares accordingly, gave rise to a loss of \$1,875, which was charged to retained earnings.

In addition, the Company issued 62,500 shares for a paid-up amount of \$1,250,000 as described in Note 2.

### 6. Income Taxes

The income tax expense of \$876,612 (1984 — \$1,239,741) represents an effective tax rate of 46.1% (1984 — 42.6%). This rate differs from the combined federal and provincial tax rate of 51.9% since one-half of capital gains is taxable and dividend income is non-taxable.

### 7. Earnings per share

The earnings per share calculations are based on the weighted average number of shares outstanding during the year.

# Notes to Consolidated Financial Statements

for the year ended  
December 31, 1985

## 8. Commitments and Contingent Liability

### (a) Shareholders' Agreement

Under certain circumstances, the Company may be required to purchase additional shares of Guardian Ruggles Crysdale Inc. from minority shareholders of the subsidiary, at various prices to be determined in accordance with the shareholders' agreement.

### (b) Leases

The Company leases office space and equipment under operating leases which expire on various dates between 1986 and 1990. The Company has also signed equipment maintenance and information service contracts. Minimum future payments required under these operating leases and contracts that have initial terms in excess of one year as of December 31, 1985 are as follows:

1986	\$310,851
1987	186,851
1988	186,851
1989	80,767
1990	71,123

### (c) Contingent Liability

A subsidiary has guaranteed the bank loans of three of its shareholders to the extent of \$151,175.

## 9. Statutory information

The aggregate remuneration of directors and senior officers for the year ended December 31, 1985 was \$1,259,937 (1984 — \$999,296).

## 10. Business segments

Operations and identifiable assets by industry segment are as follows:

	1985			1984		
	Management Services	Investment Activity	Consolidated	Management Services	Investment Activity	Consolidated
<b>Income</b>	<b>\$5,513,281</b>	<b>\$1,384,244</b>	<b>\$6,897,525</b>	\$4,710,820	\$4,325,233	\$ 9,036,053
Net gain on investments	—	329,774	329,774	—	431,731	431,731
	<b>5,513,281</b>	<b>1,714,018</b>	<b>7,227,299</b>	4,710,820	4,756,964	9,467,784
<b>Operating Expenses</b>						
Expenses	4,540,121	30,578	4,570,699	3,187,947	24,024	3,211,971
Depreciation and amortization	106,389	500,000	606,389	72,360	3,000,000	3,072,360
Interest	—	4,591	4,591	—	160,149	160,149
	<b>4,646,510</b>	<b>535,169</b>	<b>5,181,679</b>	3,260,307	3,184,173	6,444,480
<b>Segment operating profit</b>	<b>\$ 866,771</b>	<b>\$1,178,849</b>	<b>2,045,620</b>	<b>\$1,450,513</b>	<b>\$1,572,791</b>	<b>3,023,304</b>
General corporate expenses			144,747			113,357
			<b>1,900,873</b>			2,909,947
Income taxes			876,612			1,239,741
			<b>1,024,261</b>			1,670,206
Equity in net earnings of other companies			824,882			604,128
			<b>1,849,143</b>			2,274,334
<b>Minority interest</b>			94,640			—
<b>Net earnings for the year</b>			<b>\$ 1,754,503</b>			<b>\$ 2,274,334</b>
<b>Identifiable assets:</b>						
Management services			\$ 9,001,438			\$ 4,048,563
Investment activity			9,006,762			10,151,500
Corporate			91,771			91,862
Equity investments			5,682,440			4,676,074
			<b>\$23,782,411</b>			<b>\$18,967,999</b>

# Guardian Capital Group Limited

48 Yonge Street, Toronto, Ontario M5E 1H3

## **Officers and Directors**

John Bak, *Director*

John Christodoulou, *Director*

James F. Cole, *Director*

William Filipiuk, *Director*

F. Douglas Gibson, *Director*

Robert L. Miller, *Director*

Joseph L. Rotman, *Director*

John J. Ruffo, *Director*

Robert T. Ruggles, *Director*

Norman J. Short, *President & Director*

Bernice Wade, *Director*

Donald C. Webster, *Director*

C. Verner Christensen, *Secretary-Treasurer*

Elinor Crighton, *Assistant Secretary*

## **Registrar and Transfer Agent**

The Canada Trust Company  
110 Yonge Street, Toronto, Ontario

## **Banker and Custodian of Securities**

The Canadian Imperial Bank of Commerce  
7 King Street East, Toronto, Ontario

## **Auditors**

Smith, Nixon & Co.  
365 Bay Street, Toronto, Ontario

## **Legal Counsel**

Day, Wilson, Campbell  
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