

ANGLO-CANADIAN TELEPHONE
COMPANY

First Annual
Report
1935

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ANGLO-CANADIAN TELEPHONE COMPANY

MONTREAL, P.Q.
3rd April, 1936.

TO THE STOCKHOLDERS:

On behalf of the Directors of Anglo-Canadian Telephone Company, there is submitted herewith the first annual report of the Company. This report covers the results of operations for the period from 1st June, 1935, the date the Company commenced active business, to 31st December, 1935, although the Company was incorporated 1st December, 1934.

We are enclosing with the annual report of Anglo-Canadian Telephone Company, the annual reports of two of the Companies in which Anglo-Canadian Telephone Company has a substantial investment, namely, the British Columbia Telephone Company and Telephone Investment Corporation.

Submitted on behalf of the Board,

HUNTER L. GARY,
President.

TORONTO
HAMILTON
WINNIPEG
CALGARY

RIDDELL, STEAD, GRAHAM & HUTCHISON

CHARTERED ACCOUNTANTS

ESTABLISHED 1869

CABLES RIDSTED MONTREAL

EDMONTON
VANCOUVER
LONDON, ENG
EDINBURGH SCOT

AND REPRESENTING
ARTHUR ANDERSEN & CO
CHICAGO NEW YORK
AND BRANCHES

Austin C. Stead, C.A.
John Peterson, C.A.
Alister A. Gowen, C.A.
H. D. Clapperton, C.A.
C. G. Wallace, C.A.
Gordon S. Small, C.A.
Malcolm J. McLeod, C.A.

460 ST FRANCOIS XAVIER ST
P O BOX 2398
MONTREAL

TO THE SHAREHOLDERS OF
ANGLO-CANADIAN TELEPHONE COMPANY:

We have made an examination of the balance sheet as at 31st December, 1935 of Anglo-Canadian Telephone Company. In connection therewith, while we did not make a detailed audit of the transactions, we examined or tested accounting records of the Company and other supporting evidence and also made a general review of its accounting methods for the period ended 31st December, 1935.

We have not examined the accounts of the Company's subsidiary companies but have received and examined reports rendered by other independent auditors on the accounts of these companies for the year ended 31st December, 1935 and have obtained information and explanations from officers and employees of the Company. As a result we have satisfied ourselves that dividends received and included in the Company's income have in all cases been earned by the respective subsidiary companies since date of acquisition.

We report that we have obtained all the information and explanations we have required and that, in our opinion, based upon the examination referred to above and the reports of subsidiary companies rendered by other independent auditors, the accompanying balance sheet as at 31st December, 1935 is drawn up so as to exhibit a true and correct view of the state of the Company's affairs according to the best of our information and the explanations given to us, and as shown by the books of the Company.

RIDDELL, STEAD, GRAHAM & HUTCHISON,
Auditors.

MONTREAL, 26TH MARCH, 1936

ANGLO-CANADIAN TELEPHONE COMPANY

(An Investment Company)

BALANCE SHEET

As at 31st December, 1935

ASSETS

INVESTMENTS AND LONG TERM ACCOUNT (at cost).....	\$10,796,125.00
CURRENT ASSETS	
Cash on hand and in banks.....	\$ 84,959.16
Dividends receivable.....	115,313.95
Accounts receivable:	
Subsidiary companies.....	\$20,620.97
Others.....	3,865.90
	24,486.87
	224,759.98
	\$11,020,884.98

LIABILITIES

CAPITAL STOCK	
7% CUMULATIVE PREFERRED	
Authorized—	
100,000 shares—par value.....	<u>\$5,000,000.00</u>
Issued and outstanding—	
66,000 shares.....	3,300,000.00
CLASS A	
Authorized—	
485,000 shares—par value.....	<u>\$4,850,000.00</u>
Issued and outstanding—	
261,000 shares.....	2,610,000.00
CLASS B	
Authorized—	
465,000 shares—par value.....	<u>\$4,650,000.00</u>
Issued and outstanding—	
359,100 shares.....	3,591,000.00
DEFERRED	
Authorized—	
100,000 shares—par value.....	<u>\$1,000,000.00</u>
Issued and outstanding—	
100,000 shares.....	1,000,000.00
	10,501,000.00
CURRENT LIABILITIES	
<i>Accounts payable:</i>	
Subsidiary and affiliated companies..	63,003.09
Others.....	10,989.91
Accrued taxes (including provision for	73,993.00
Dominion and Provincial taxes)	23,200.00
Dividend accrued (subsequently declared).....	38,500.00
	135,693.00
RESERVE FOR DIVIDENDS PAID BY SUBSIDIARY	
COMPANIES OUT OF SURPLUSES EXISTING AT DATE OF	
ACQUISITION.....	39,360.91
SURPLUS (as per attached statement).....	344,831.07
	\$11,020,884.98

Approved on Behalf of the Board of Directors:

MARTIN LINDSAY, *Director*

THEODORE S. GARY, *Director*

MONTREAL, 26TH MARCH, 1936.

This is the Balance Sheet referred to in our Report of this date.

RIDDELL, STEAD, GRAHAM & HUTCHISON,
*Chartered Accountants,
Auditors.*

ANGLO-CANADIAN TELEPHONE COMPANY

(An Investment Company incorporated 1st December, 1934)

INCOME AND EXPENSE STATEMENT

For the Period from 1st June to 31st December, 1935

INCOME

Dividends, Interest, and other Income..... \$406,799.11

GENERAL AND ADMINISTRATIVE EXPENSES

Salaries, Directors' Fees, Legal and Miscellaneous Expenses..... \$ 34,520.66

Taxes, including provision for Dominion income taxes and Provincial profits taxes..... 20,394.11

Interest..... 293.86

55,208.63

NET INCOME FOR PERIOD..... \$351,590.48

STATEMENT OF SURPLUS

For the Period from 1st December, 1934 (Date of Incorporation) to 31st December, 1935

Net book value of assets of predecessor company acquired \$375,142.22

Net income (as per Income and Expense Statement)..... 351,590.48

\$726,732.70

Expenditures written off:

Organization expense..... \$33,646.45

Furniture and fixtures..... 1,180.18

34,826.63

\$691,906.07

DEDUCT

Dividends paid or provided for:

7% Cumulative Preferred..... 154,000.00

Class A..... 44,550.00

Class B..... 148,525.00

347,075.00

BALANCE AS AT 31ST DECEMBER, 1935..... \$344,831.07

OFFICERS

A. F. ADAMS	-	-	-	-	-	-	-	-	<i>Chairman</i>
HUNTER L. GARY	-	-	-	-	-	-	-	-	<i>President</i>
GORDON FARRELL	-	-	-	-	-	-	-	-	<i>Vice-President</i>
MARTIN LINDSAY	-	-	-	-	-	-	-	-	<i>Vice-President</i>
F. S. SPRING	-	-	-	-	-	-	-	-	<i>Comptroller</i>
GEOFFREY PURDY	-	-	-	-	-	-	-	-	<i>Secretary and Treasurer</i>



DIRECTORS

A. F. ADAMS	T. S. GARY
R. L. BENSON	VISCOUNT HINCHINGBROOKE
E. C. BLOMEYER	MARTIN LINDSAY
M. A. COLEFAX	J. C. NEWMAN
J. G. CRANE	W. C. PITFIELD
ERNEST EVANS	SIR ALEXANDER ROGER
PERCY EVANS	HON. GORDON SCOTT
GORDON FARRELL	EMMETT SWANSON
HUNTER L. GARY	F. H. WOODS
F. H. WOODS, JR.	