

REPORT

OF THE

DIRECTORS TO THE SHAREHOLDERS

OF

The Bell Telephone Company of Canada

For the Year ending 31st December,

1906

The Bell Telephone Company of Canada

1906

The Directors beg to submit their twenty-seventh Annual Report.

16,950 subscribers have been added during the year, the total number of sets of instruments now earning rental being 95,145.

The Company now owns and operates 571 Exchanges and 1,160 Agencies.

6,318 miles of wire have been added to the Long Distance System in 1906. The Long Distance Lines now owned and operated by the Company comprise 43,400 miles of wire on 9,391 miles of poles.

\$1,038,000 of 5% Bonds were sold during the year, the net premium on which \$51,900 has been carried to the Contingent Account.

10,000 shares of New Stock were offered to the Shareholders at 25% premium, and are included in this Statement, bringing the paid up Capital to \$9,930,800. The premium on these shares and on the last two instalments of the previous issue, amounting to \$344,015.00, has also been carried to the Contingent Account.

From the balance of Revenue Account, amounting to \$311,495.71, \$47,654.15 have been carried to Insurance Reserve Account; \$2,804.40 to Accident Reserve Account and \$200,000 to the Contingent Account, leaving a balance of Revenue Account to be carried to 1907 of \$61,037.16.

All of which is respectfully submitted.

ROBERT MACKAY,
Vice-President.

C. F. SISE,
President.

MONTREAL, February 28th, 1907.

REVENUE ACCOUNT, 31st DECEMBER, 1906.

RECEIPTS.

Exchange (less Unearned Rentals)	\$2,775,601.93
Long Distance Lines	1,081,973.63
Private Lines	16,140.45
Miscellaneous	265,618.71
	<u>\$4,139,334.72</u>

EXPENSES.

Operating	\$2,910,291.34
Legal	41,467.18
Insurance	31,420.76
Bond Interest	142,983.42
Miscellaneous	20,316.93
	<u>\$3,146,479.63</u>
Net Revenue for 1906	992,855.09
Less Dividends (Inc. January 15th, 1907)	726,677.38
	<u>\$ 266,177.71</u>
Balance Revenue from 1905	45,318.00
	<u>\$ 311,495.71</u>
Carried to Insurance Reserve	\$ 47,654.15
Carried to Accident Reserve	2,804.40
Carried to Contingent Account	200,000.60
	<u>250,458.55</u>
Carried forward to 1907	<u>\$ 61,037.16</u>

BALANCE SHEET, 31ST DECEMBER, 1906.

Stock Account.....	\$9,980,800.00
Bond Account.....	3,363,000.00
Contingent Fund, 1905.....	\$2,194,407.74
Add Premium on Stock.....	344,015.00
Add Premium on Bonds.....	51,900.00
Add from Revenue Account.....	200,000.00
	2,790,322.74
Revenue Account.....	61,037.16
Unearned Rental Reserve.....	548,487.06
Insurance Reserve.....	300,000.00
Accident Reserve.....	150,000.00
Bond Interest Reserve.....	42,037.50
Sundry Creditors.....	407,122.04
	\$17,642,806.50
Plant and Patent Account, 31st December, 1905.....	\$11,184,135.72
“ “ “ added in 1906.....	2,553,865.58
	\$13,738,001.30
Plant and Patent Account, 31st December, 1906.....	\$13,738,001.39
Stores on hand.....	786,808.33
Real Estate.....	1,612,501.10
Stock in other Companies.....	1,011,406.50
Due from Agencies.....	190,307.24
Debtors.....	221,692.13
Cash.....	82,089.90
	\$17,642,806.50

Audited and verified,

P. S. ROSS & SONS,
Chartered Accountants.

CHARLES P. SCLATER,
Secretary-Treasurer.