

GREAT BRITAIN AND CANADA
INVESTMENT CORPORATION.

Annual Report

For Year ended 31st March, 1934.

OFFICERS

President

P. A. THOMSON.

Vice-President

J. B. WOODYATT.

Secretary-Treasurer

W. A. ARBUCKLE, C.A.

DIRECTORS

HON. A. O. CRICHTON... LONDON, ENGLAND
JAMES A. FALCONER... LONDON, ENGLAND
S. KILPATRICK... LONDON, ENGLAND
CAPT. O. LYTTTELTON,
D.S.O... LONDON, ENGLAND
JOHN J. RUDOLF... NEW YORK, N.Y.
M. A. THOMSON... MONTREAL, QUE.
P. A. THOMSON... MONTREAL, QUE.
G. M. TODD, C.B.E... MONTREAL, QUE.
J. B. WOODYATT... MONTREAL, QUE.
R. M. YOUNGS... NEW YORK, N.Y.

Auditors

P. S. ROSS & SONS, Montreal, Que.



GREAT BRITAIN AND CANADA INVESTMENT CORPORATION.

MONTREAL, 9th May, 1934

To the Shareholders:

Your Directors present herewith the Fifth Annual Report of your Corporation for the year ended 31st March, 1934.

Gross Revenue.....	\$	246,892.06
LESS:		
Expenses.....	\$	14,936.66
Loss on Exchange.....		6,626.51
Interest on Debentures.....		220,957.10
		242,520.27
Net Profit for year.....	\$	4,371.79
Balance at Credit of Surplus Account 1st April, 1933.....		115,849.04
Surplus Carried Forward.....	\$	120,220.83

During the year the Corporation purchased a further \$251,500 of its 4½% 30-Year Convertible Debentures, of which \$127,500 were cancelled, reducing the amount outstanding to \$4,910,500 at the close of the fiscal year. The remaining \$124,000 are being held as Investments meantime. As the free stock warrants attached to the cancelled Debentures were likewise cancelled, there are now held by the Montreal Trust Company, and available for cancellation or for such other disposition as your Directors may consider fit, 10,895 Common Shares in all, formerly held by the Montreal Trust Company in trust for the holders of the above free stock warrants.

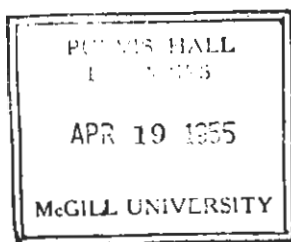
Your Directors deemed it advisable to make certain changes in the investment holdings during the year under review, thereby incurring a net loss on realization of \$67,181.08 after deducting the capital profit on the Debentures redeemed, and this has been charged to Capital Reserve.

The general rise in security values experienced during the past year is amply reflected by the increase in the market value of the Company's investments from \$2,997,514 as at 31st March, 1933, to \$4,456,539, an improvement of 48.7%. The revenues of the Corporation have also shown a satisfactory increase, which it is hoped will be at least maintained in the coming year.

The Books and Accounts of your Corporation have been audited by Messrs. P. S. Ross & Sons, Chartered Accountants, whose certificate is attached.

Respectfully submitted on behalf of the Board.

P. A. THOMSON,
President.



GREAT BRITAIN AND CANADA INVESTMENT CORPORATION.

Statement of Profit and Loss and Surplus

For the Year ended 31st March, 1934.

Revenue from Investments.....	\$	237,312.13
Revenue from Stock Dividends Sold.....		8,159.72
Revenue from Interest Earned.....		1,420.21
	\$	<u>246,892.06</u>
DEDUCT:		
Management Expenses—Actual—as defined in By-Law XVI..	\$	10,995.13
Other Expenses, including Provincial Corporation Tax.....		3,941.53
Interest on 4½% 30-Year Convertible Debentures.....		220,957.10
Net Loss on Foreign Exchange.....		6,626.51
		<u>242,520.27</u>
Net Profit for Year.....	\$	4,371.79
Balance at Credit of Surplus Account 1st April, 1933.....		115,849.04
Surplus Carried Forward.....	\$	<u><u>120,220.83</u></u>

Auditors' Certificate.

GREAT BRITAIN AND CANADA INVESTMENT CORPORATION,
355 ST. JAMES STREET WEST,
MONTREAL.

We have audited the books of account of Great Britain and Canada Investment Corporation for the year ended 31st March, 1934, and have received all the information and explanations required. The verification of the Investments has been made by certificates received direct from the several depositaries.

In our opinion, the attached Balance Sheet and relative Profit and Loss and Surplus Statement set forth correctly the financial position of the Corporation at 31st March, 1934, and the result of the operations for the year ended 31st March, 1934, according to the information and explanations received by us, and as shown by the books of the Corporation.

(Signed) P. S. ROSS & SONS,
Chartered Accountants.

MONTREAL, Que., 25th April, 1934.

GREAT BRITAIN AND CANADA INVESTMENT CORPORATION.

Balance Sheet as at 31st March, 1934.

ASSETS.		
Cash in Banks.....	\$	112,176.25
Accounts Receivable.....		21,047.33
Investment Securities (*).....	\$	8,136,502.72
DEDUCT: Capital Reserve as at 31st March, 1933.....	\$	200,131.16
Less: Net Loss on Sale of Investments after crediting Capital Surplus resulting from redemption of the Corporation's Debentures	67,181.08	
	132,950.08	
Accrued Revenue from Investments.....		8,003,552.64
Prepaid Charges.....		47,451.19
		142.50
(*) Note—The aggregate value of these Investments based on available Stock Exchange prices or estimated fair values at 31st March, 1934, was \$4,456,539.00.		
	\$	8,184,369.91
LIABILITIES.		
Accounts Payable and Accrued Expenses.....	\$	44,077.83
Accrued Debenture Interest due 1st April, 1934..... (Including Provision for Estimated Loss on Sterling Exchange.)		109,571.25
4½% 30-Year Convertible Debentures, due 1st April, 1959:		
Authorized and Issued.....	\$	6,000,000.00
Less: Redeemed and Cancelled.....	1,089,500.00	
	4,910,500.00	
CAPITAL STOCK:		
\$5 Cumulative Convertible Preferred Shares:		
Authorized and Issued—40,000 Shares of \$50.00 each.....		2,000,000.00
Entitled to repayment at \$105.00 per Share in the event of winding-up or dissolution of the Company. Dividend in arrears since 1st October, 1931, \$500,000.00.		
Common Shares—of No Par Value:		
Authorized—550,000 Shares (of which 178,210 Shares are reserved for the conversion of Debentures and Preferred Stock).		
Issued—350,000 Shares.....		1,000,000.00
(of which 89,105 are held in Escrow to cover Warrants issued with Debentures and Preferred Stock, and 10,895 are held in Treasury.)		
Surplus.....		120,220.83
	\$	8,184,369.91

Approved on behalf of the Board:

P. A. THOMSON
R. M. YOUNGS } Directors.