

GREAT BRITAIN AND CANADA
INVESTMENT CORPORATION.

Annual Report

For Year ended 31st March, 1937.

OFFICERS.

President

P. A. THOMSON

Vice-President

J. B. WOODYATT

Secretary-Treasurer

W. A. ARBUCKLE, C.A.

Asst. Secretary-Treasurer

J. F. KITCHING

DIRECTORS.

COL. A. CHRISTIE,
C.M.G., D.S.O. LONDON, ENGLAND
HON. A. O. CRICHTON . . . LONDON, ENGLAND
JAMES A. FALCONER . . . LONDON, ENGLAND
S. KILPATRICK LONDON, ENGLAND
A. VARICK STOUT, JR. . . . 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.

(INCORPORATED UNDER THE PROVINCE OF QUEBEC COMPANIES' ACT)

MONTREAL, 27th April, 1937.

To the Shareholders:

Your Directors present herewith the Eighth Annual Report of your Corporation for the year ended 31st March, 1937.

Gross Revenue.....	\$	267,714.30
LESS:		
Expenses.....	\$	13,768.88
Directors' Fees.....		5,000.00
Income and Other Taxes.....		7,848.74
Interest on Debentures.....		180,620.84
		<u>207,238.46</u>
Net Profit for year.....	\$	60,475.84
Balance at credit of Earned Surplus Account 31st March, 1936...	\$	180,755.78
LESS: Prior Years' Income Tax Adjustments.....		671.16
		<u>180,084.62</u>
Earned Surplus carried forward.....	\$	<u>240,560.46</u>

During the year the Corporation purchased at discounts a further \$41,500 of its 4½% Convertible Debentures. These Debentures have been cancelled, reducing the amount outstanding to \$4,000,000 as at 31st March, 1937. 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, 20,000 Common Shares in all, formerly held by the Montreal Trust Company in trust for the holders of the above free stock warrants.

It was deemed advisable to make certain changes in the investment holdings during the year under review, thereby incurring a net loss on realization of \$241,163.70 after deducting the capital profit on the Debentures redeemed, and this has been charged to Capital Reserve.

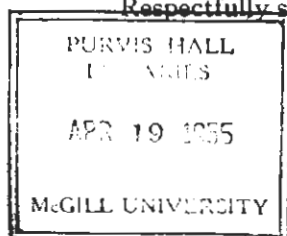
The net profit of the Corporation for the year, as shown above, amounted to \$60,475.84.

The market value of the Corporation's investments as at 31st March, 1937, was \$6,203,007.00 compared with \$5,004,332.00 as at 31st March, 1936, and \$3,985,000.00 as at 31st March, 1935.

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.

(INCORPORATED UNDER THE PROVINCE OF QUEBEC COMPANIES' ACT)

Statement of Profit and Loss and Earned Surplus

For the Year ended 31st March, 1937.

Revenue from Investments.....	\$ 258,559.12
Revenue from Stock Dividends.....	9,155.18
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	\$ 267,714.30
DEDUCT:	
Management Expenses—actual—as defined in By-Law XVI:	
Miscellaneous.....	\$ 11,214.57
Directors' Fees.....	5,000.00
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	\$ 16,214.57
Other Expenses, including loss on exchange.....	2,554.31
Income and Other Taxes.....	7,848.74
Interest on Debentures.....	180,620.84
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	207,238.46
Net Profit for Year.....	\$ 60,475.84
Balance at credit of Earned Surplus Account at 31st March, 1936	\$ 180,755.78
LESS: Prior Years' Income Tax Adjustments.....	671.16
	<hr/>
	180,084.62
Earned Surplus carried forward, 31st March, 1937.....	<u>\$ 240,560.46</u>

Auditors' Certificate.

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

We have audited the books of account of Great Britain and Canada Investment Corporation for the year ended 31st March, 1937, 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 Earned Surplus Statement set forth correctly the financial position of the Corporation at 31st March, 1937, and the result of its operations for the year ended that date, according to the information and explanations given to us, and as shown by the books of the Corporation.

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

MONTREAL, Que., 24th April, 1937.

GREAT BRITAIN AND CANADA INVESTMENT CORPORATION.

(INCORPORATED UNDER THE PROVINCE OF QUEBEC COMPANIES' ACT)

Balance Sheet

as at 31st March, 1937.

ASSETS.

Cash in Banks.....	\$	156,115.41
Accounts Receivable.....		26,677.38
(*)Investment Securities, at or under cost.....		7,120,264.65
Accrued Revenue from Investments.....		47,415.54
Prepaid Charges.....		373.33
(*) NOTE—The aggregate value of these investments based on available Stock Exchange prices or estimated fair values at 31st March, 1937, was \$6,203,007.00.		
		\$7,350,846.31

LIABILITIES.

Account Payable and Accrued Expenses.....	\$	19,785.85
Accrued Debenture Interest due 1st April, 1937.....		90,500.00
(Including provision for estimated loss on exchange)		
4½% 30-Year Convertible Debentures, due 1st April, 1959:		
Authorized and Issued.....	\$6,000,000.00	
Less: Redeemed and Cancelled.....	2,000,000.00	
		4,000,000.00
CAPITAL STOCK:		
\$5.00 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 Corporation. Dividend in arrears since 1st October, 1931, \$1,100,000.00)		
Common Shares of no par value:		
Authorized—550,000 Shares (of which 160,000 Shares are reserved for the conversion of Debentures and Preferred Stock).		
Issued—350,000 Shares.....		1,000,000.00
(of which 80,000 Shares are held in escrow to cover warrants issued with Debentures and Preferred Stock, and 20,000 Shares are held in Treasury).		
Earned Surplus.....		240,560.46
		\$7,350,846.31

Approved on behalf of the Board:

P. A. THOMSON }
G. M. TODD } Directors.