

J. Francis

REPORT
OF THE
DIRECTORS TO THE SHAREHOLDERS
OF
**The Bell Telephone Company
of Canada**

For the Year ending 31st December,

1915.



MONTREAL:
MORTON, PHILLIPS & CO., PRINTERS.

REPORT

OF THE

DIRECTORS TO THE SHAREHOLDERS

OF

**The Bell Telephone Company
of Canada**

For the Year ending 31st December,

1915.

Officers :

C. F. SISE,	- - - - -	Chairman of the Board.
L. B. McFARLANE,	- - - - -	President.
HON. ROBERT MACKAY,	- - - - -	Vice-President.
C. F. SISE, JR.,	- - - - -	General Manager.
W. H. BLACK,	- - - - -	Secretary.
WM. GEORGE SLACK,	- - - - -	Treasurer.
E. PALM,	- - - - -	General Auditor.

Directors :

C. F. SISE	L. B. McFARLANE
HON. ROBERT MACKAY	Z. A. LASH, K.C.
THEO. N. VAIL	U. N. BETHELL
ROBERT ARCHER,	C. F. SISE, JR.
HUGH PATON	THOS. AHEARN
CHARLES CASSILS	A. J. DAWES

THE BELL TELEPHONE COMPANY OF CANADA

1915.

The Directors beg to submit their thirty-sixth Annual Report.

5,716 Subscribers stations have been added during the year, the total number of owned telephone stations now in use being 242,784.

The Company now owns and operates 449 Central Offices.

624 miles of wire were added to the Long Distance System in 1915. The Long Distance Lines now owned and operated by the Company comprise 76,079 miles of wire on 9,297 miles of poles, and 3,829 miles of wire in underground and submarine cables.

Three Exchange buildings have been added to the Company's Real Estate during the year.

The Company now has arrangements for exchange of business with 624 local telephone organizations, serving over 81,512 subscribers, and providing intercommunication with our subscribers.

In consequence of the disturbed business and war conditions, we can only report an increase of 2% in the number of subscribers' stations gained. The number of telephones ordered out was unusually large, but improved operating methods and increased efficiency have enabled us to slightly increase the balance for surplus.

To the 31st December 371 of our employees have enlisted for Overseas Service. Of this number 246 have

families or relatives dependent upon them. When not otherwise provided for, the Company pays one-half of the salaries of enlisted employees to their dependents.

This Company has 2,042 male employees of a military age, who, if not physically incapable, would be eligible for Overseas Service. 15 per cent of our employees of military age have, therefore, been enlisted to the end of the year.

The Company felt it to be a duty to purchase \$200,000 of the Canadian War Loan which was offered last December; and has undertaken to pay to the Canadian Patriotic Fund, during the current year, \$2,000 a month for ten months, a total of \$20,000. This payment you will be asked to authorize.

With great regret we record the death on the 7th of January, 1916, of one of the oldest members of the Board of Directors, Mr. Robert Archer, whose services for the past thirty-five years have been of the greatest value to the Company.

The financial statements are appended hereto.

All of which is respectfully submitted.

ROBERT MACKAY,
Vice-President.

L. B. McFARLANE,
President.

MONTREAL, February 24th, 1916.

BALANCE SHEET, DECEMBER 31, 1915

ASSETS

Real Estate	\$ 3,569,341.10
Telephone Plant	32,353,362.84
Furniture, Tools and Supplies.....	1,121,526.35
Cash.....	2,160,732.38
Bills and Accounts Receivable	754,251.81
Stocks and Bonds.....	2,745,576.87
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	\$42,704,791.35
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LIABILITIES

Capital Stock Issued	\$18,000,000.00
5% Bonds, 1925.....	11,149,000.00
Accounts Payable	352,646.41
Accrued Liabilities not due.....	503,692.43
Unearned Revenue	25,894.43
Replacement and other Reserves.....	11,424,418.28
Surplus.....	1,249,139.80
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	\$42,704,791.35
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Audited and verified,

P. S. ROSS & SONS,
Chartered Accountants.

E. PALM,
General Auditor.

EARNINGS STATEMENT FOR YEAR 1915

Gross Earnings.....		\$9,634,673.81
Operation Expense.....	3,370,206.25	
Current Maintenance.....	1,587,058.37	
Depreciation	2,170,000.00	
Taxes	285,424.15	7,412,688.77
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Net Earnings		2,221,985.04
Deduct Interest		558,136.27
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Balance		1,663,848.77
Deduct Dividends 8%.....		1,440,000.00
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Surplus Earnings.....		\$ 223,848.77
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Audited and verified,

P. S. ROSS & SONS,
Chartered Accountants.

E. PALM,
General Auditor.

STATISTICS

	At Dec. 31, 1915	Increase during Year
Number of Owned Stations....	242,784	5,716
Number of Connecting and Miscellaneous Stations.....	81,817	8,745
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Total Stations.....	324,601	14,461

Number of Miles of Wire	772,751
Number of Central Offices	449
Number of Employees	7,933

Average Daily Connections 1915—Exchange.....	1,950,413
Average Daily Connections 1915—Long Distance....	20,079

The following statements, showing the growth and revenue of the Company in five year periods, which appeared in our last Annual Report, have been brought up to date by adding the figures for 1915.

Year	Central Offices	Number of Subscribers Stations	Long Distance	
			Wire, in Miles	Pole Miles
1885	126	10,200	3,000	2,000
1890	212	20,437	8,228	4,071
1895	345	30,908	14,851	5,884
1900	343	40,094	21,350	6,525
1905	526	82,351	37,082	8,645
1910	508	138,370	54,133	8,861
1915	449	242,784	79,908	9,297

UNDERGROUND

Year	Miles Conduit	Miles		Miles Wire
		Single Duct.	Miles Cable	
1890	1.85	43.16	1.04	103.72
1895	12.10	143.64	16.35	2,211.54
1900	46.71	321.07	156.57	30,686.40
1905	99.62	572.56	264.34	94,131.80
1910	191.10	1,014.66	453.35	208,956.02
1915	300.00	1,860.00	819.60	450,665.00

Total Assets, and percentage of Net Earnings thereto, in five year periods.

Year	Total Assets (Excluding Cash and Receivables).	Exchange Revenue	Long Distance Revenue	Misc. Revenue and Revenue from Outside Investments	Expenses	Net Earnings	% Net Earnings to Total Assets
1885	\$1,527,503.	\$ 299,803.	\$ 36,629.	\$ 26,396.	\$ 196,496.	\$ 166,332.	10.8%
1890	2,822,581.	462,600.	109,236.	40,195.	432,176.	179,855.	6.3
1895	4,765,644.	834,518.	178,313.	74,292.	760,463.	326,660.	6.8
1900	7,498,762.	1,137,660.	359,801.	116,801.	1,177,582.	436,680.	5.8
1905	14,062,605.	2,342,870.	901,367.	273,357.	2,512,696.	1,004,898.	7.1
1910	22,541,382.	3,838,019.	1,415,352.	257,314.	3,781,109.	1,729,576.	7.6
1915	39,789,807.	7,156,302.	2,306,536.	171,836.	7,412,689.	2,221,985.	5.6

DIAGRAM
 SHOWING THE GROWTH IN
TELEPHONES
 OWNED BY
 The Bell Telephone Co.
 OF CANADA.
 FROM
 DEC. 31, 1880 - DEC. 31, 1915.



