



REPORT

OF THE

DIRECTORS TO THE SHAREHOLDERS

OF

**The Bell Telephone Company
of Canada**

For the Year ending 31st December,

1880

ANNUAL REPORT
OF
The Bell Telephone Company of Canada
DECEMBER 31st, 1880.

In submitting their First Annual Report, the Directors deem it but proper to state that owing to the very recent date on which the Company commenced business, any report must necessarily be very meagre.

The Company was incorporated by Special Act of Parliament, April 29th, 1880, for the purpose of working the entire Telephone system of Canada, and since its incorporation it has acquired possession of the Telephone Licenses, Plants and Good-will of the Dominion Telegraph Company, The London Telephone Company, The Hamilton Telephone Company, and Windsor Telephone Exchange, and in November it acquired the Telephone plant and good-will of the Montreal Telegraph Company, Canadian District Telegraph Company, and Quebec Telephone Exchange, and received a License from the Canadian Telephone Company (Limited) for the use of all the patented inventions in Canada in Telephony, formerly owned by the American Bell Telephone Company, Gold and Stock Telegraph Company, Western Union Telegraph Company, and American Speaking Telephone Company, including the inventions of Bell, Blake, Edison, Gray, Watson, Anders, Jaques, and others.

Since taking possession of the various Telephone plants above mentioned, the Company has devoted its attention to improving them, and thus increasing their earning power. Whenever practicable it has erected good pole lines through the different Cities where it has Exchanges, by which means new wire lines can be much more easily run and kept in good order than in any other way. It has also in all cases, where old leases have expired and been renewed, changed the unsatisfactory Electro Bell system of several subscribers on one line, to the Magneto Bell system, furnishing a separate line to each subscriber, by which means the service is very much improved, and the cost of battery for call-bells done away with.

The Directors, profiting by the experience of other Companies, found it necessary to increase the rentals of Telephones for Exchange and other connections, but are happy to be able to report that this has had no perceptible effect upon the number of subscribers, which is steadily increasing, promising a satisfactory revenue for the coming year.

The Company now has in operation Exchanges at Montreal, Ottawa, Quebec, Hamilton, London, Windsor, Woodstock, Guelph, Brantford, St. Thomas, Cornwall, St. John, N.B., and Halifax, N.S., and Agencies in nearly every Town where there is any promise of obtaining subscribers.

A Statement of Receipts and Expenditure, also the Financial Statement for 1880, are appended hereto.

All of which is respectfully submitted.

C. F. SISE,

Vice-President and Managing Director.

ANDREW ROBERTSON,

President.

MONTREAL, February 26, 1881.

REVENUE AND EXPENDITURE TO 31st DECEMBER, 1880.

RECEIPTS.

Revenue from Exchange Line rentals.....	\$23,756.73
“ “ Private Line rentals	5,023.01
“ “ Miscellaneous sources.....	890.84
	<u>\$29,670.58</u>

EXPENDITURE.

Light and Fuel.....	\$ 223.00
Rent and Taxes.....	1,145.39
Salaries, Wages and Commissions.....	11,499.55
Stationery.....	83.70
Advertising.....	29.48
Postage and Telegrams.....	240.09
Petty Expenses	502.85
Travelling Expenses.....	270.17
Legal Expenses.....	236.85
Insurance.....	20.67
Employees' Guarantee Premiums.....	16.73
Royalties on Instruments.....	4,349.21
	<u>\$18,617.69</u>
	\$11,052.89

FINANCIAL STATEMENT, DECEMBER 31, 1880.

Stock Account.....		\$377,600.00
Net Revenue.....		11,052.89
Sundry Creditors.....		14,671.48
		<u>\$403,324.37</u>
Preliminary Expenses.....	\$ 5,628.04	
Paid for License.....	167,000.00	
Purchase Dominion Telegraph Co.'s Telephone Plant.....	\$ 75,000.00	
Purchase Montreal Telegraph Co.'s Telephone Plant.....	75,000.00	
Purchase Hamilton Telephone Co.'s Plant....	22,500.00	
" London " " " 	5,500.00	
" Windsor " " " 	2,500.00	
	<u>\$180,500.00</u>	
Less sale of Instruments to Canadian Telephone Co., Limited.....	13,964.50	
	<u>166,535.50</u>	
Cost of Combining Exchanges, Fitting up Offices, Constructing New Lines, &c.....	20,469.78	
Stores on hand.....	13,588.24	
Sundry Debtors.	18,240.09	
Due from Agencies.....	1,463.99	
Cash in Bank and on hand.....	10,398.73	
	<u>\$403,324.37</u>	

