The Bell Telephone Company of Canada.

1898.

The Directors beg to submit their Nineteenth Annual Report.

1,637 subscribers have been added during the year, the total number of sets of instruments now earning rental being 32,082.

The Company now owns and operates 343 Exchanges and 340 Agencies.

666 miles of wire have been added to the Long Distance System in 1898; of these 326 miles are in the Ontario Department, and 340 miles are in the Eastern Department.

The Long Distance Lines now owned and operated by the Company comprise 17,233 miles of wire on 6,096 miles of poles.

In July, your Directors, acting under the power conferred upon them, offered to the shareholders, at par, 7,920 shares of new stock, in the proportion of one share of new for each four of old, all of which, with the exception of 160 shares, were promptly subscribed for. The 160 shares referred to, consisted principally of fractions of shares and of certain shares for which the parties had unintentionally omitted to subscribe. It being the wish of your Directors that all shareholders should share equally in any advantage to be derived from the new issue, it was decided to sell those 160 shares and divide the premium *pro rata* among those for whose benefit they were sold. This was done, and with satisfactory results.

The new building in Quebec is practically completed, and the new apparatus is now being installed. The new building at London is progressing favorably, and will be occupied early in the coming summer.

All of which is respectfully submitted.

ROBERT MACKAY,
Vice-President.

CHAS. F. SISE,
President.

MONTREAL, February 23rd, 1899.

REVENUE ACCOUNT, 31st DECEMBER, 1898.

RECEIPTS.

Exchanges		$ 935,703 52
Long Distance Lines		264,455 49
Private Lines		12,743 32
Miscellaneous		90,041 71
		$1,302,944 04

EXPENSES.

Operating	$ 897,138 73	
Legal	9,582 22	
Insurance	13,740 20	
Bond Interest	47,042 16	
Miscellaneous	4,288 99	
		$ 971,792 30

Net Revenue for 1898	$ 331,151 74
Less Dividends (inc. Jan, 14th, 1899)	263,779 93
	$ 67,371 81
Balance Revenue from 1897	82,364 17
Carried forward to 1899	$ 149,735 98

BALANCE SHEET, 31st DECEMBER, 1898.

Stock Account		$3,556,000 00
Bond Account		941,000 00
Contingent Fund		800,000 00
Revenue Account		149,735 98
Unearned Rental Reserve		173,136 16
Insurance Reserve		71,414 71
Accident Reserve		17,603 76
Bond Interest Reserve		11,762 50
Sundry Creditors		132,131 60
Bond Premium		6,750 00
		$5,859,534 71
Plant and Patents, 31st December, 1897	$4,395,548 88	
Do. added in 1898	180,727 47	
Plant and Patents, 31st December, 1898	$4,576,276 35	
Stores on hand	240,469 24	
Real Estate	692,084 87	
Stock in other Companies	257,731 50	
Sundry Debtors	29,855 55	
Due from Agencies	61,239 51	
Cash	1,877 69	
		$5,859,534 71

Audited and verified,
P. S. ROSS & SONS,
Chartered Accountants.

CHARLES P. SCLATER,
Secretary-Treasurer.