

The Bell Telephone Company of Canada.

1909.

The Directors beg to submit their Thirtieth Annual Report.

13,671 Subscribers have been added during the year, the total number of sets of instruments now earning rental being 114,735.

The Company now owns and operates 476 Exchanges and 1,247 Agencies.

2,966 miles of wire have been added to the Long Distance System in 1909. The Long Distance Lines now owned and operated by the Company comprise 48,969 miles of wire on 8,026 miles of poles.

Early in the year the Government of the Province of Saskatchewan having decided to inaugurate a System of Government-owned Telephones, opened negotiations with this Company for the purchase of its Plant in that Province. After due consideration, the Directors, under the authority given by the Shareholders at the Meeting of 27th February, 1908, decided that it would be for the best interests of the Company to sell, rather than to compete with the Provincial Government. A sale was effected in May, but as the accounts have not been finally closed, it is not possible to state, at this time, just what the result will be. By this sale the total number of instruments was decreased by 2,020, and the Gross Revenue by \$69,794.00—but this apparent loss has been more than made up by the increased business in Ontario and Quebec in 1909.

The Company has made arrangements for exchange of business with about three hundred and thirty Independent Companies, serving over twenty thousand subscribers.

From the balance of Revenue Account, amounting to \$549,546.69, \$50,000.00 has been charged to Depreciation of Real Estate; \$21,677.42 charged off Patent Account; \$97,204.79 has been carried to Fire Insurance Reserve; \$5,487.37 to Accident Insurance Reserve; \$125,000.00 to Depreciation Reserve and \$125,000.00 added to the Contingent Account, leaving a balance of Revenue Account to be carried to 1910 of \$125,177.11.

\$600,000.00 has been carried from Suspense Account to Depreciation Reserve, which is now \$725,000.00.

All of which is respectfully submitted.

ROBERT MACKAY,

Vice-President.

C. F. SISE,

President.

MONTREAL, February 24th, 1910.

The Bell Telephone Company of Canada.

REVENUE ACCOUNT, 31st DECEMBER, 1909.

RECEIPTS.

Exchange Service (less Unearned Rentals).....	\$ 3,421,668.54
Long Distance Service.....	1,228,171.29
Private Lines.....	18,308.53
Miscellaneous.....	281,049.00

\$ 4,949,197.36

EXPENSES.

Operating.....	\$3,234,184.54
Legal.....	13,099.04
Insurance.....	37,494.01
Bond Interest.....	182,450.00
Miscellaneous.....	13,080.48

\$ 3,480,308.07

Net Revenue 1909.....	\$ 1,468,889.29
Less Dividends (Inc. January 15th, 1910).....	1,000,000.00

\$ 468,889.29

Balance Revenue from 1908.....	80,657.40
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Balance Revenue Account 1909.....	\$ 549,546.69
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DISTRIBUTION OF REVENUE BALANCE :

Charged off Real Estate Account.....	\$ 50,000.00
Charged off Patent Account.....	21,677.42
Transferred to Insurance Reserve.....	97,204.79
Transferred to Accident Reserve.....	5,487.37
Transferred to Contingent Account.....	125,000.00
Transferred to Depreciation Reserve Account.....	125,000.00

\$ 424,369.58

Balance Revenue Account carried forward to 1910.....	125,177.11
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\$ 549,546.69

BALANCE SHEET, 31st DECEMBER 1909.

Stock Account.....	\$12,500,000.00
Bond Account.....	3,649,000.00

RESERVES—

Contingent Fund—	
Brought forward from 1908.....	\$2,150,000.00
Transferred from Revenue Account.....	125,000.00
	<u>\$ 2,275,000.00</u>
For Maintenance.....	997,028.52
For Unearned Rentals.....	703,263.00
For Fire Insurance.....	500,000.00
For Accident Insurance.....	200,000.00
For Bond Interest.....	45,612.50
For Depreciation—	
Transferred from Suspense Account.....	\$ 600,000.00
“ “ Revenue Account.....	125,000.00

\$ 725,000.00

Revenue Account.....	125,177.11
Sundry Creditors.....	123,067.32
Suspense Account.....	143,433.10

\$21,986,581.55

Plant and Patent Account, 31st December, 1908.....	\$14,655,346.05
Added 1909.....	\$1,201,794.64
Less charged off Patent Account.....	21,677.42
	<u>1,180,117.22</u>

Plant and Patent Account 31st December, 1909.....	\$15,835,463.27
Stores on Hand.....	467,341.14
Real Estate.....	1,824,538.80
Less Charged Off.....	50,000.00

1,774,538.80

Stocks and Bonds.....	2,969,956.50
Due from Agencies.....	204,014.10
Debtors.....	402,418.00
Cash.....	332,849.74

\$21,986,581.55

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

W. GEO. SLACK,
Treasurer.

