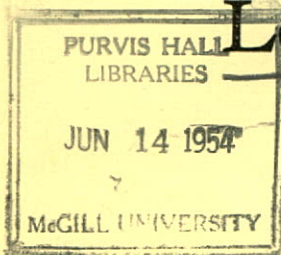


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LONDON CANADIAN INVESTMENT CORPORATION

(Incorporated under the Province of Quebec Companies Act)

DIRECTORS

THE HON. JAMES MONCREIFF BALFOUR, O.B.E.
THE HON. ARTHUR OWEN CRICHTON
ARTHUR D. EMORY
NEY K. GORDON

CHARLES L. GUNDY
WILBERT H. HOWARD, C.B.E., Q.C.
ALEXANDER FITZJAMES GRAHAM-WATSON

OFFICERS

ARTHUR D. EMORY, *Chairman of the Board*
NEY K. GORDON, *President*

JOHN E. ARDRON, *Secretary and Treasurer*
ISABEL WATERHOUSE, *Asst. Sec. and Asst. Treas.*

Head Office, The Royal Bank Building, 360 St. James Street West, Montreal, P.Q., Canada.

REPORT OF THE DIRECTORS

To be submitted at the TWENTY-FOURTH ANNUAL GENERAL MEETING OF SHAREHOLDERS

Your Directors submit the Balance Sheet and Revenue Accounts of your Corporation for its twenty-fourth accounting period, the twelve months ended December 31, 1952. These statements have been certified by your auditors.

Valuation of assets of the Corporation at December 31, 1952, was \$7,108,514. During 1952 the Corporation retired \$200,000 principal amount of its 3% Serial Bonds which matured June 1 and redeemed by purchase and retired \$36,280 principal amount of its 3% Notes, 646 of its \$3 Cumulative Redeemable Preferred Shares and 621 of its Class A Shares.

The Revenue of your Corporation for 1952, after deduction of United Kingdom, United States and other withholding taxes and U.S. exchange, was \$330,776. Expenses for the year were \$38,987. These expenses, together with payment and accrual of \$85,377 Bond and Note Interest, left an amount of \$206,412, from which was deducted \$109 for Provincial Income Tax, leaving Net Revenue for the year of \$206,303. After bringing forward Balance of Revenue at December 31, 1951, of \$990,316 and deducting dividends paid of \$190,591, being \$3 per share on the Preferred Shares, \$3 per share on the Class A Shares and 15¢ per share on those Common Shares which carry the right to cash dividends, there remained a balance in Revenue Surplus of \$1,006,028 as of December 31, 1952.

Distribution of the valuation of assets of your Corporation at December 31, 1952, was as follows:

Canadian Gov't. and Canadian and Provincial Gov't. Guaranteed Bonds.....	12.50%
U.S. Gov't. and International Bank Bonds.....	3.14%
Canadian Corporation Bonds and Debentures.....	13.11%
Canadian Corporation Convertible Bonds and Debentures.....	8.82%
Foreign Bonds.....	2.19%
Preferred and Class A Shares.....	6.00%
Common Shares.....	52.70%
Cash, etc.....	1.54%
	<u>100.00%</u>

Geographical distribution of these assets was:

CANADA	UNITED STATES	BRITISH EMPIRE (excluding Canada)	FOREIGN (excluding U.S.A.)
72.77%	21.14%	2.46%	3.63%

The number of securities in your Corporation's portfolio totalled 170.

Respectfully submitted on behalf of the Directors,

ARTHUR D. EMORY,
Chairman of the Board.

REVENUE ACCOUNT

For the Year Ending December 31, 1952

Dividends received and interest received and accrued (less \$2,073 U.S. exchange discount).....	\$344,185	
Stock dividends received and sold.....	1,917	
	\$346,102	
LESS: United Kingdom, United States and other withholding taxes.....	15,326	\$330,776
Management expenses.....	\$ 17,337	
Directors' fees.....	8,750	
Fees and expenses of trustee, registrar and transfer agents.....	7,730	
Miscellaneous expenses.....	1,902	
Taxes, other than income taxes.....	1,699	
Staff Pension Plan, current premium.....	1,569	38,987
		\$291,789
DEDUCT:		
Interest on 3% Bonds.....	\$ 71,500	
Interest on 3% Notes.....	13,877	85,377
		\$206,412
Provincial income tax.....		109
Net Revenue for the year ending December 31, 1952.....		\$206,303

REVENUE SURPLUS

As at December 31, 1952

Balance, December 31, 1951.....	\$ 990,316	
Net Revenue for the year ending December 31, 1952.....	206,303	
		\$1,196,619
DIVIDENDS PAID:		
on \$3 Cumulative Redeemable Preferred Shares.....	\$72,000	
on Class A Redeemable Shares.....	72,075	
on Common Shares.....	46,516	190,591
Revenue Surplus, December 31, 1952.....		\$1,006,028

AUDITORS' REPORT TO THE SHAREHOLDERS

To the Shareholders of

LONDON CANADIAN INVESTMENT CORPORATION:

We have made an examination of the books and accounts of London Canadian Investment Corporation for the year ending December 31, 1952, and have received all the information and explanations which we required. We verified the Corporation's investments either by inspection of securities or by certificates from the custodian, Montreal Trust Company; the cash on deposit was verified by confirmations received from the depositaries.

We report that, in our opinion, the attached balance sheet as at December 31, 1952, is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Corporation.

MONTREAL, February 5, 1953

PRICE WATERHOUSE & CO.,
Chartered Accountants.

LONDON CANADIAN INVESTMENT CORPORATION

(Incorporated under the Province of Quebec Companies Act)

BALANCE SHEET — DECEMBER 31, 1952

ASSETS		LIABILITIES	
BONDS AND STOCKS AT COST, less investment reserve of \$1,194,495.....	\$6,043,810	SUNDRY LIABILITIES:	
		Account payable.....	\$ 1,500
		Provincial income tax.....	109
		Interest accrued on 3% Bonds....	5,750
		Amount due on delivery of securities purchased.....	9,700
			\$ 17,059
On the basis of market quotations, the value of the securities owned by the Corporation at December 31, 1952, was \$6,999,052 of which \$1,500,972 represented U.S.A. securities and \$311,131 (£114,177) represented sterling securities. U.S.A. and sterling securities have been converted to Canadian funds at the rates of exchange quoted on December 31, 1952.		3% BONDS:	
		Authorized and issued.....	\$3,000,000
		Outstanding—	
		Serial Bonds,	
		due June 1, 1953.....	\$ 300,000
		due June 1, 1954.....	2,000,000
			2,300,000
CASH ON DEPOSIT.....	83,439	3% NOTES, UNSECURED (CLOSED ISSUE) DUE JANUARY 1, 1961.....	453,200
ACCRUED INTEREST ON BONDS.....	25,510	CAPITAL STOCK:	
PREPAID INSURANCE, TAXES, ETC.....	513	\$3 Cumulative Redeemable Preferred Shares, \$25 par value, redeemable at \$60 plus unpaid accrued dividends—	
		Authorized and issued—	
		24,646 shares	\$ 616,150
		LESS: Purchased and cancelled during 1952—	
		646 shares	16,150
			600,000
		Outstanding	
		24,000 shares.....	\$ 600,000
		Class A Shares, Voting, \$5 par value, redeemable at \$45 plus unpaid cumulative dividends. Entitled in the aggregate to dividends equal to, and cumulative to the extent of, the lesser, in respect of each year, of a rate of \$3 per share per annum or the net revenue of the Corporation after provision for cumulative dividends on the \$3 Cumulative Redeemable Preferred Shares—	
		Authorized and issued—	
		24,646 shares	\$ 123,230
		LESS: Purchased and cancelled during 1952—	
		621 shares	3,105
			120,125
		Outstanding—	
		24,025 shares	120,125
		Common Shares of \$1 par value—	
		Authorized and issued—	
		359,403 shares	359,403
			1,079,528
		(Includes 49,292 Common Shares held by Montreal Trust Company, which shares, while so held, are non-voting and carry no rights to cash dividends. 48,025 of these shares are held in trust for the holders of Warrants attached to certificates for the \$3 Cumulative Redeemable Preferred Shares and for the Class A Shares and, as a result of the cancellation of Warrants, 1,267 are held exclusively for ultimate cancellation.)	
		SURPLUS:	
		Capital Surplus, arising from Reorganization—	
		Balance, December 31, 1951....	\$1,325,714
		LESS:	
		Balance of Reorganization expenses.....	\$ 3,124
		Net premium on Capital Stock and 3% Notes purchased and cancelled during 1952, 25,133	28,257
			\$1,297,457
		REVENUE SURPLUS—	
		Per statement attached.....	1,006,028
			2,303,485
			\$6,153,272

SIGNED ON BEHALF OF THE BOARD:

ARTHUR D. EMORY, *Director*.
N. K. GORDON, *Director*.

\$6,153,272

LONDON CANADIAN INVESTMENT
CORPORATION

(Incorporated under the Province of Quebec Companies Act)

R E P O R T

*For Year Ended
December 31, 1952*

ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Fourth Annual General Meeting of the Shareholders of London Canadian Investment Corporation will be held at the Offices of the Corporation, Room 506, 360 St. James Street West, Montreal, P.Q., Canada, on Wednesday the 25th day of March, 1953, at the hour of two-thirty o'clock in the afternoon for the following purposes:—

- (a) To receive and consider and, if deemed advisable, approve and adopt the Annual Report of the Directors, Balance Sheet, Statement of Revenue and Expenditure, Statement of Revenue Surplus and Report of the Auditors, for the financial year of the Corporation ended December 31, 1952;
- (b) To elect Directors for the ensuing year;
- (c) To appoint and fix the remuneration of the Auditors for the ensuing year;
- (d) To transact such other business as may properly come before the Meeting.

By Order of the Board,

J. E. ARDRON,
Secretary.

THE ROYAL BANK BUILDING,
MONTREAL, P.Q.
February 27, 1953.

Note: In the event that you will be unable to be present at this Meeting, please sign and return the enclosed instrument of proxy.

