



# 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 to the Shareholders at the TWENTY-THIRD ANNUAL GENERAL MEETING OF SHAREHOLDERS, to be held at the Offices of the Corporation, Montreal, P.Q., Canada, on Tuesday the 18th day of March, 1952, at 2.30 p.m.

Your Directors submit the Balance Sheet and Revenue Accounts of your Corporation for its twenty-third accounting period, the twelve months ended December 31st, 1951. These statements have been certified by your auditors.

The Corporation's Proposal for a Compromise or Arrangement dated January 30th, 1951, was accepted by holders of the 5% Cumulative Redeemable Preferred Shares and of the Common Shares at meetings called for that purpose. The Compromise or Arrangement was confirmed by Supplementary Letters Patent dated May 8th, 1951, and became effective on that date.

Valuation of assets of the Corporation at December 31st, 1951, was \$7,551,567. In accordance with the terms of the Compromise or Arrangement, your Corporation distributed \$492,920 in cash to holders of its redeemed 5% Cumulative Redeemable Preferred Shares. During 1951 the Corporation retired \$200,000 principal amount of its 3% Serial Bonds which matured June 1st and redeemed by purchase and retired \$3,440 principal amount of its 3% Notes.

The Revenue of your Corporation for 1951, after deduction of United Kingdom, United States and other withholding taxes, was \$351,479. Expenses for the year were \$39,585. These expenses, together with payment and accrual of \$92,288 Bond and Note Interest, left an amount of \$219,606, from which was deducted \$117 for Provincial Income Tax, leaving Net Revenue for the year of \$219,489. After bringing forward Balance of Revenue at December 31st, 1950, of \$965,220 and deducting dividends paid of \$194,393, being \$3 per share on the Preferred Shares, \$3 per share on the Class A Shares and 15c. per share on those Common Shares which carry the right to cash dividends, there remained a balance in Revenue Surplus of \$990,316 as of December 31st, 1951.

Distribution of the valuation of assets of your Corporation at December 31st, 1951, was as follows:

Canadian and U. S. Gov't. Bonds .....	15.62%
Corporation and Municipal Bonds.....	19.85%
Foreign Bonds.....	2.21%
Preferred Stocks including Class A Shares.....	7.29%
Common Stocks.....	54.08%
Cash, etc.....	0.95%
	100.00%

Geographical distribution of these assets was:

CANADA	UNITED STATES	BRITISH EMPIRE (excluding Canada)	FOREIGN (excluding U.S.A.)
73.92%	19.08%	3.08%	3.92%

The number of securities in your Corporation's portfolio totalled 172.

The Directors have to report with deep regret the loss sustained by the Corporation by the death during the year of James H. Gundy, C.B.E., LL.D., Vice-President and a Director of the Corporation since it was formed.

Respectfully submitted on behalf of the Directors,

ARTHUR D. EMORY,  
*Chairman of the Board.*

**REVENUE ACCOUNT**  
For the Year Ending December 31st, 1951

Dividends received and interest received and accrued (including \$3,579 U.S. exchange premium) .....	\$363,793	
Stock dividends received and sold .....	5,841	
	\$369,634	
LESS: United Kingdom, United States and other withholding taxes .....	18,155	\$351,479
Management expenses .....	\$ 18,300	
Directors' fees .....	9,792	
Fees and expenses of trustee, registrar and transfer agents .....	5,991	
Miscellaneous expenses .....	2,338	
Taxes, other than income taxes .....	1,671	
Staff Pension Plan, current premium .....	1,493	39,585
		\$311,894
<b>DEDUCT:</b>		
Interest on 3% Bonds .....	\$ 77,500	
Interest on 3% Notes .....	14,788	92,288
		\$219,606
Provincial income tax .....		117
Net Revenue for the year ending December 31st, 1951 .....		\$219,489

**REVENUE SURPLUS**  
As at December 31st, 1951

Balance, December 31st, 1950 .....		\$ 965,220
Net revenue for the year ending December 31st, 1951 .....		219,489
		\$1,184,709
<b>DIVIDENDS PAID:</b>		
on \$3 Cumulative Redeemable Preferred Shares .....	\$73,938	
on Class A Redeemable Shares .....	73,938	
on Common Shares .....	46,517	194,393
Revenue Surplus, December 31st, 1951 .....		\$ 990,316

**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 31st, 1951, 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 31st, 1951, 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 4th, 1952.

PRICE WATERHOUSE & CO.,  
Chartered Accountants.

# LONDON CANADIAN INVESTMENT CORPORATION

(Incorporated under the Province of Quebec Companies Act)

## BALANCE SHEET AS AT DECEMBER 31st, 1951

ASSETS		LIABILITIES	
BONDS AND STOCKS AT COST, less investment reserve of \$1,016,265.....	\$6,367,187	<b>SUNDRY LIABILITIES:</b>	
		Account payable.....	\$ 1,500
		Provincial income tax.....	117
		Interest accrued on 3% Bonds	6,250
		Amount due on delivery of securities purchased.....	27,000
			\$ 34,867
On the basis of market quotations, the value of the securities owned by the Corporation at December 31st, 1951, was \$7,479,594 of which \$1,430,360 represented U.S.A. securities and \$337,957 (£120,269) represented sterling securities. U.S.A. and sterling securities have been converted to Canadian funds at the rates of exchange quoted on December 31st, 1951.		<b>3% BONDS:</b>	
		Authorized and issued...	\$3,000,000
		<b>Outstanding—</b>	
		Serial Bonds, due	
		June 1st, 1952.....	\$ 200,000
		June 1st, 1953.....	300,000
		June 1st, 1954.....	2,000,000
			2,500,000
CASH ON DEPOSIT.....	47,586	<b>3% NOTES, UNSECURED (CLOSED ISSUE) DUE JANUARY 1ST, 1961</b>	489,480
ACCOUNT RECEIVABLE.....	28		
ACCRUED INTEREST ON BONDS.....	23,653	<b>CAPITAL STOCK:</b>	
PREPAID INSURANCE, TAXES, ETC.....	706	\$3 Cumulative Redeemable Preferred Shares, \$25 par value, redeemable at \$60 plus unpaid accrued dividends—	
		Authorized and issued—	
		24,646 shares.....	\$ 616,150
		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
		Common Shares of \$1 par value—	
		Authorized and issued—	
		359,403 shares.....	359,403
		(Includes 49,292 Common Shares held by Montreal Trust Company, in trust, for the holders of Warrants attached to certificates for the \$3 Cumulative Redeemable Preferred Shares and for the Class A Shares, which Common Shares, while so held, are non-voting and carry no rights to cash dividends)	1,098,783
		<b>SURPLUS:</b>	
		Capital surplus arising from reorganization of the capital structure of the Corporation in accordance with Supplementary Letters Patent, dated May 8th, 1951.....	\$ 1,379,977
		Less: Reorganization expenses	54,263
			\$ 1,325,714
		<b>REVENUE SURPLUS:</b>	
		Per statement attached.....	990,316
			2,316,030
	\$6,439,160		\$ 6,439,160

SIGNED ON BEHALF OF THE BOARD:  
 ARTHUR D. EMORY, *Director*.  
 N. K. GORDON, *Director*.

LONDON CANADIAN INVESTMENT  
CORPORATION

(Incorporated under the Province of Quebec Companies Act)

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REPORT

*For Year Ended  
December 31st, 1951*

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ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-Third 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 Tuesday the 18th day of March, 1952, at the hour of 2.30 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 31st, 1951;
- (b) To elect Directors for the ensuing year;
- (c) To appoint and fix the remuneration of the Auditors for the ensuing year;
- (d) To consider and, if deemed advisable, confirm By-Law XIXA, enacted by the Directors, amending By-Law XIX to make provision for the maintenance of more than one register of transfers for any class or classes of shares of the Corporation and for the transferability of shares on any register if there be more than one register of transfers for shares of that class; and
- (e) 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 26th, 1952.*

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

