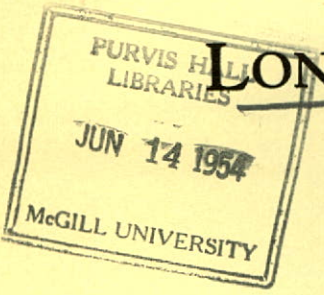
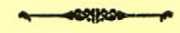


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# LONDON CANADIAN INVESTMENT CORPORATION

(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

JAMES H. GUNDY, C.B.E., LL.D.  
CHARLES L. GUNDY  
WILBERT H. HOWARD, C.B.E., K.C.  
ALEXANDER FITZJAMES GRAHAM-WATSON

## OFFICERS

ARTHUR D. EMORY, *Chairman of the Board*  
NEY K. GORDON, *President*  
JAMES H. GUNDY, C.B.E., LL.D., *Vice-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-FIRST ANNUAL GENERAL MEETING OF SHAREHOLDERS, to be held at the Offices of the Corporation, Montreal, P.Q., Canada, on Monday, the 24th day of April 1950, at 11.00 a.m.

Your Directors submit the Balance Sheet and Revenue Accounts of your Corporation for its twenty-first accounting period, the twelve months ended December 31st, 1949. These statements have been certified by your Auditors.

Valuation of assets of your Corporation at December 31st, 1949, was \$7,297,392.10.

The Revenue of your Corporation for 1949, after deduction of British, United States and other withholding taxes, was \$300,955.48. Expenses for the year were \$39,367.83. These expenses, together with payment and accrual of \$87,375.00 bond interest, left an amount of \$174,212.65, from which was deducted \$100.09 for Provincial Income Tax, leaving Net Revenue for the year of \$174,112.56. After bringing forward Balance of Revenue at December 31st, 1948, of \$947,003.61 and adding \$1,662.94 credit prior years' Dominion income and excess profits taxes and deducting \$166,406.50 paid in dividends on the Corporation's 5% Cumulative Preferred Shares, equal to \$6.50 per share, there remained a balance in Revenue Surplus of \$956,372.61 as of December 31st, 1949.

Distribution of the valuation of assets of your Corporation at December 31st, 1949, was as follows:—

Dominion, Provincial and U.S. Gov't. Bonds.....	37.50%
Corporation, International Bank and Foreign Gov't. Bonds.....	13.59%
Preferred Stocks including Class A Shares.....	7.05%
Common Stocks.....	40.80%
Cash, etc.....	1.06%
	<hr/>
	100.00%

Geographical distribution of these assets was:

CANADA	UNITED STATES	BRITISH EMPIRE (excluding Canada)	FOREIGN (excluding U.S.A.)
53.52%	38.67%	4.13%	3.68%

The number of securities in your Corporation's portfolio totalled 159.

Mr. Charles L. Gundy has been elected a Director of the Corporation.

Respectfully submitted on behalf of the Directors,

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

**REVENUE ACCOUNT**  
**For the Year Ending December 31st, 1949**

Dividends received and interest received and accrued (including \$9,148.50 in respect of arrears on bonds and preferred shares).....	\$324,695.75	
Stock dividends received and sold.....	2,385.76	
U.S. exchange on investment income.....	3,750.76	
	\$330,832.27	
LESS: British, United States and other withholding taxes.....	29,876.79	\$300,955.48
Management expenses.....	\$ 18,276.90	
Directors' fees.....	8,750.00	
Trustee, registrar and transfer agents' fees and expenses.....	5,151.58	
Miscellaneous expenses.....	3,860.40	
Taxes, other than income taxes.....	1,682.88	
Staff Pension Plan, current premium.....	1,646.07	
	39,367.83	
		\$261,587.65
Interest on 3% Bonds.....		87,375.00
		\$174,212.65
Provincial Income Tax.....		100.09
		\$174,112.56
Net Revenue for the year ending December 31st, 1949.....		\$174,112.56

**REVENUE SURPLUS**  
**As at December 31st, 1949**

Balance, December 31st, 1948.....	\$947,003.61	
Net revenue for the year ending December 31st, 1949.....	174,112.56	
	\$1,121,116.17	
Credit in respect of prior years' Dominion income and excess profits taxes.....		1,662.94
		\$1,122,779.11
Dividends paid on the 5% Cumulative Preferred Shares amounting to \$6.50 per share.....		166,406.50
		\$ 956,372.61
Revenue Surplus, December 31st, 1949.....		\$ 956,372.61

# LONDON CANADIAN INVESTMENT CORPORATION

(Incorporated under the Province of Quebec Companies Act)

## BALANCE SHEET AS AT DECEMBER 31st, 1949

ASSETS	LIABILITIES
<p>BONDS AND STOCKS AT COST, less Investment Reserve of \$897,144.54..... \$7,347,365.60</p> <p>On the basis of market quotations the value of the securities owned by the Corporation at December 31st, 1949, was \$7,219,920 of which \$506,156 (£164,737) represented sterling securities.</p> <p>CASH ON DEPOSIT..... 56,177.05</p> <p>ACCRUED INTEREST ON BONDS..... 20,140.54</p> <p>PREPAID INSURANCE, TAXES, ETC..... 1,154.51</p>	<p>SUNDRY LIABILITIES:</p> <p>Accounts payable..... \$ 1,200.00</p> <p>Provincial Income Tax..... 40.09</p> <p>Interest accrued on 3% Bonds..... 7,125.00</p> <p style="text-align: right;">\$ 8,365.09</p> <p>3% BONDS:</p> <p>Authorized and issued..... <u>\$3,000,000.00</u></p> <p>Outstanding—</p> <p>Serial bonds, due June 1st, 1950-53..... \$ 850,000.00</p> <p>Due June 1st, 1954..... <u>2,000,000.00</u></p> <p style="text-align: right;">2,850,000.00</p> <p>(Serial bonds mature to the extent of \$150,000 on June 1st, 1950, \$200,000 on June 1st, 1951, \$200,000 on June 1st, 1952, and \$300,000 on June 1st, 1953)</p> <p>RESERVE FOR CONTINGENCIES..... 50,000.00</p> <p>FIVE PER CENT CUMULATIVE PREFERRED SHARES OF \$100 PAR VALUE:</p> <p>Authorized—100,000 shares .. <u>\$10,000,000.00</u></p> <p>Issued— 40,000 shares... <u>\$4,000,000.00</u></p> <p>Less: 14,399 shares purchased and cancelled..... <u>1,439,900.00</u></p> <p style="text-align: right;"><u>25,601 shares outstanding..... 2,560,100.00</u></p> <p>Redeemable at any quarterly dividend date at \$105 per share. Dividends cumulated and unpaid amount to \$1,834,738.33, equivalent to \$71.67 per share.</p> <p>COMMON SHARES:</p> <p>Without nominal or par value—</p> <p>Authorized—400,000 shares</p> <p>Issued —350,000 shares</p> <p style="text-align: right;">1,000,000.00</p> <p>(Includes 38,934 shares now held by Montreal Trust Company for disposition by the Corporation consequent upon the cancellation of free stock warrants covering such shares)</p> <p>REVENUE SURPLUS:</p> <p>Per statement attached..... 956,372.61</p>
<p><u>\$7,424,837.70</u></p>	<p><u>\$7,424,837.70</u></p>

APPROVED ON BEHALF OF THE BOARD:

ARTHUR D. EMORY, *Director*.

N. K. GORDON, *Director*.

### 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, 1949, 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 above Balance Sheet as at December 31st, 1949, 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, January 14th, 1950.

PRICE, WATERHOUSE & CO.,  
*Auditors.*

# LONDON CANADIAN INVESTMENT CORPORATION

(Incorporated under the Province of Quebec Companies Act)

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## REPORT

*For Year Ended  
December 31st, 1949*

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### ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Twenty-First 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 Monday, the 24th day of April, 1950, at the hour of 11 o'clock of the forenoon 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, Revenue Surplus and Report of the Auditors for the financial year of the Corporation ending December 31st, 1949;
- (b) To elect Directors for the ensuing year;
- (c) To appoint and fix the remuneration of the Auditors for the ensuing year; and
- (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.

*March 17th, 1950.*

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