TO THE SHAREHOLDERS OF
UNITED AMUSEMENT CORPORATION LIMITED

Submitted herewith the Consolidated Balance Sheet as at December 29th, 1962, and related statements of Profit and Loss and Earned Surplus, as they will be presented to the shareholders at the annual meeting, to be held in Montreal on April 24th, 1963.

Net profit for the fiscal period after providing for all operating costs, full depreciation and Federal and Provincial income taxes amounted to $468,019, approximately $1.60 per share, based on the shares outstanding in the hands of the public, as compared with profits of $395,677, approximately $1.35 per share in the preceding year. Dividends paid during the fiscal period amounted to $1.00 per share compared with the preceding year of $1.00 per share.

Submitted on behalf of the Board,
W. G. Lester, *President.*

UNITED AMUSEMENT

AND SUBSIDI

CONSOLIDATED BALANCE SHEET
at 29th December 1962

ASSETS

		1962	*1961*
CURRENT			
Cash on Hand and in Banks		$ 240,809	*$ 19,229*
Accounts Receivable		35,414	*36,429*
Investments in Canadian Corporations — At Cost (Market Value $1,870,237)		1,963,794	*2,167,753*
Employees' Savings Bonds—Secured		22,509	*25,755*
Supplies on Hand		80,396	*72,089*
		2,342,922	*2,321,255*
INVESTMENTS IN AND ADVANCES TO OTHER ASSOCIATED ENTERPRISES		585,568	*482,685*
BALANCE OF SALES PRICE OF PROPERTIES		52,000	*18,000*
FIXED — AT COST			
Land		901,636	*977,761*
Buildings		5,125,151	*4,934,630*
Equipment		2,268,380	*1,923,547*
		7,393,531	*6,858,177*
Less: Depreciation		4,823,269	*4,782,907*
		2,570,262	*2,075,270*
Improvements to Leased Premises		79,658	*79,658*
Less: Depreciation		47,537	*42,917*
		32,121	*36,741*
		3,504,019	*3,089,772*
DEFERRED CHARGES TO FUTURE OPERATIONS			
Taxes, Licenses and Insurance etc.		171,275	*199,537*
Bond Underwriting Expense		7,350	*10,878*
		178,625	*210,415*
GOODWILL AND FRANCHISE			
(*Less:* Written-off $1,604,825)		1	*252,499*
		$6,663,135	*$6,374,626*

LIABILITIES AND CAPITAL

		1962	*1961*
CURRENT			
Bank Loan		$ 350,000	*$ —*
Accounts Payable and Accrued Charges		171,977	*162,727*
Dominion and Provincial Income Taxes — less paid		29,582	*38,357*
		551,559	*201,084*
FIRST MORTGAGE SERIAL AND SINKING FUND BONDS			
AUTHORIZED	$2,500,000		
ISSUED:		1,250,000	*1,250,000*
Less: Redeemed		850,000	*800,000*
OUTSTANDING			
4% Sinking Fund Bonds due 1st February 1965		400,000	*450,000*
Less: Repurchased — of which $50,000 will be redeemed 1st February 1963		83,000	*105,000*
		317,000	*345,000*
INSURANCE RESERVE			
(For Possible Future Losses on Self-Insured Minor Risks)		121,455	*112,858*
MINORITY INTEREST		21,596	*17,560*
CAPITAL STOCK			
AUTHORIZED:			
400,000 Shares of No Par Value			
(300,000 Class "A" Shares			
100,000 Class "B" Non-Voting Shares)			
ISSUED:			
Class "A"	270,832	1,596,700	*1,596,700*
Less: Subsidiary Holdings	28,189	214,405	*214,405*
		1,382,295	*1,382,295*
Class "B"	52,484	253,025	*253,025*
Less: Subsidiary Holdings	3,640	29,871	*29,871*
		223,154	*223,154*
SURPLUS			
Capital — At Date of Incorporation		93,336	*93,336*
Earned — Statement Attached		3,952,740	*3,999,339*
		4,046,076	*4,092,675*
CONTINGENT LIABILITY		$6,663,135	*$6,374,626*

In respect of guarantee of indebtedness of other Associated Enterprises $70,000

Signed on behalf of the Board: W. G. LESTER, *Director.*
G. DESTOUNIS, *Director.*

ORPORATION LIMITED

RY COMPANIES

CONSOLIDATED PROFIT AND LOSS AND EARNED SURPLUS
for fiscal period ended 29th December 1962

PROFIT AND LOSS

		1962	*1961*
Profit from Operations before deducting Depreciation, Income Taxes etc. as below		$ 795,475	*$ 597,005*
Dividends Received		125,140	*135,820*
Interest Earned		17,280	*16,501*
		142,420	*152,321*
		937,895	*749,326*
Deduct:			
Depreciation—Buildings		115,441	*89,487*
—Equipment		119,340	*73,017*
Bond and Other Interest		20,726	*13,736*
Bond Underwriting Expense		3,528	*3,528*
Profits applicable to Minority Interests		8,498	*3,923*
Dominion and Provincial Income Taxes		202,343	*169,958*
		469,876	*353,649*
NET PROFIT FOR FISCAL PERIOD (AFTER INCOME TAXES)		$ 468,019	*$ 395,677*

EARNED SURPLUS

		1962	*1961*
Balance at 30th December 1961		$3,999,339	*$3,893,616*
Add:			
Profit on Sale of Investments		11,405	*1,533*
Adjustment — Income Taxes — prior years		2,554	—
		13,959	*1,533*
		4,013,298	*3,895,149*
Deduct:			
Loss on Sale of Fixed Assets		4,555	—
Goodwill written-off		232,535	—
		237,090	—
		3,776,208	3,895,149
Add:			
Net Profit for Fiscal Period (After Income Taxes)		468,019	*395,677*
		4,244,227	4,290,826
Deduct:			
Dividends Paid		323,316	*323,316*
Less: Received by Subsidiary		31,829	*31,829*
		291,487	*291,487*
BALANCE AT 29TH DECEMBER 1962		$3,952,740	*$3,999,339*

CERTIFICATE

To the Shareholders of

UNITED AMUSEMENT CORPORATION LIMITED.

We have examined the books and accounts of UNITED AMUSEMENT CORPORATION LIMITED and its Subsidiaries for the fiscal period ended 29th December 1962. We certify that we have obtained all the information and explanations we have required and that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs as at 29th December 1962, according to the best of our information and the explanations given to us, and as shown by the books.

MARROTTE & COMPANY,
Chartered Accountants.

Dated at Montreal, 14th March 1963.

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UNITED AMUSEMENT CORPORATION LIMITED

5887 Monkland Avenue, Montreal, Que.

Operating theatres in:

MONTREAL, QUEBEC, SHERBROOKE, ST. HYACINTHE
ST. JEAN, LACHINE, ST. LAMBERT and DORVAL

BOARD OF DIRECTORS 1962

W. G. Lester   G. Destounis   J. J. Fitzgibbons C.B.E.   R. W. Bolstad
W. H. Giles   G. Grivakes   W. N. Murray   Hon. G. Martineau
S. Godin   G. R. Arnott

EXECUTIVE OFFICERS

W. G. Lester — *President and Managing Director*
G. Destounis — *Executive Vice-President*
W. H. Giles — *Vice-President*
W. H. Mannard — *Secretary-Treasurer*
W. Deveault — *Assistant-Secretary-Treasurer*

BANKERS

The Royal Bank of Canada

REGISTRARS

The Canadian Trust Company

TRANSFER AGENTS

The Montreal Trust Company

AUDITORS

Marrotte & Company — *Chartered Accountants*