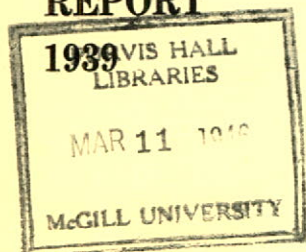


*UNITED AMUSEMENT
CORPORATION
LIMITED*



**FIFTEENTH
ANNUAL
REPORT**



United Amusement Corporation
Limited

NOTICE

The Fifteenth Annual General Meeting of Shareholders of United Amusement Corporation Limited will be held in the Rialto Theatre Building, 5711 Park Avenue, Montreal, on Tuesday the 30th April, 1940, at eleven o'clock in the forenoon for the transaction of the following matters of business:—

- (1) To receive and consider the Annual Report of the Board of Directors.
- (2) To receive and consider the Auditor's Report, the Balance Sheet and Annual Statement.
- (3) To elect Directors for the ensuing year.
- (4) To elect Auditors for the ensuing year.
- (5) To consider and if thought fit to ratify an amendment made by the Directors to By-Law No. 20. This amendment changes the date of the Annual Meeting from March to April.

And for such other purposes as may properly come before the meeting.

By Order of the Board of Directors,
W. H. MANNARD,
Secretary.

Montreal, 12th February, 1940.

PROXY

Know all Men by these Presents that Ernest A. Cousins and D. Allen Murray, respectively the President and the Vice-President of the UNITED AMUSEMENT CORPORATION LIMITED, are and either of them is hereby appointed the true and lawful attorney of the undersigned, with power of substitution, for and in the name of the undersigned, to vote at the Annual General Meeting of Shareholders of the said Company to be held on Tuesday, 30th April, 1940, or at any adjournment thereof, with all the powers which the undersigned would possess if personally present.

In Witness Whereof these presents have been executed by the undersigned this.....day of.....1940.

Witness:

.....
Shareholder.



Board of Directors

1939-1940

President

ERNEST A. COUSINS

Vice-Presidents

D. ALLEN MURRAY

P. G. DEMETRE

Managing Director

GEORGE GANETAKOS

HUGH MACKAY

J. J. FITZGIBBONS

S. GODIN, Jr.

N. L. NATHANSON

H. N. CHAUVIN, K.C.

J. G. GANETAKOS

Secretary-Treasurer

W. H. MANNARD

Assistant Secretary-Treasurer

WM. DEVEAULT

Bankers

THE ROYAL BANK OF CANADA

Registrars

THE CANADIAN TRUST COMPANY

Transfer Agents

MONTREAL TRUST COMPANY

Auditors

MARROTTE, ANDERSON & CO.

Chartered Accountants

Annual Report of the Directors

For the Year ended

31st December, 1939

To the Shareholders:—

Your Directors submit herewith for your approval, the Fifteenth Annual Report of the Corporation, together with Balance Sheet, as at the 31st December, 1939, and Profit and Loss Account for the twelve months ended that date, certified to by your Auditors, Messrs. Marrotte, Anderson & Co., Chartered Accountants.

Net Profit for the twelve months ended 31st December, 1939, after payment of all Operating Expenses, Bond Interest and Discount, and Other Interest and after providing for Depreciation and Dominion and Provincial Income Taxes, amounted to \$94,640.28 equivalent to approximately \$1.17 per share on the 80,829 outstanding No Par Value Shares of the Corporation being an increase of \$9,173.05 over the previous year. Dividends of Seventy-Five Cents (\$0.75) per share were paid, the same rate as in 1938.

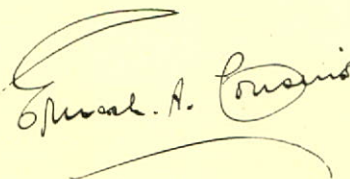
Amusement, General Taxes, Licenses, Dominion and Provincial Income Taxes, exclusive of Import, Sales and Excise Taxes, paid by your Corporation amounted to \$252,229.98, and in addition to this must be added the sum of \$69,770.02, your Corporation's proportion of the Taxes and Licenses of Associated Theatres, making a total of \$322,000.00. It is interesting to note that this amount represents approximately 3.40 times the Net Profits of the Corporation, or at the rate of \$3.98 per share.

During the year there were no additional theatres built or acquired, owing to unsettled conditions, but several improvements were made to the present properties in the way of new marquees at the Rivoli, Belmont and Granada Theatres, and new modern seats were installed at the Westmount. This theatre was also redecorated, and new carpets and drapes added to the present equipment.

Again we wish to extend our appreciation to the employees of the Corporation for services rendered throughout the year.

Respectfully submitted,

For the Directors,



President.

Montreal, 12th February, 1940.

United Amusement

BALANCE SHEET A

ASSETS

FIXED—AT COST

Land		\$ 560,690.71
Buildings	\$ 2,268,607.41	
Equipment—General	361,288.21	
—Sound	32,391.88	
	<u>2,662,287.50</u>	
Less: Depreciation.....	964,068.06	1,698,219.44
Leasehold Theatre		<u>66,139.39</u>
		<u>2,325,049.54</u>

INVESTMENTS IN AND ADVANCES TO ASSOCIATED ENTERPRISES

Investments	553,675.85	
Loans	<u>26,383.38</u>	580,059.23

BALANCE OF SALE PRICE:

Undivided half interest in Theatre Property payable \$500.00 quarterly		10,000.00
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TRUST FUNDS—CONTRA:

Cash held in Bank for Associated Theatre Operating Syndicates		10,738.79
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CURRENT:

Supplies on Hand.....	5,395.75	
Accounts Receivable	<u>12,959.40</u>	
Bonds—United Amusement Corporation Limited (Issued and Re-purchased. Sinking Fund Requirement February 1940, \$48,500.00).....	64,448.95	
Cash on Hand and in Bank.....	<u>222,988.66</u>	305,792.76

DEFERRED CHARGES TO OPERATIONS

Taxes, Licenses, Insurance, Repairs and Replacements.....	57,191.00	
Bond Underwriting Expense	<u>106,777.25</u>	163,968.25

GOODWILL AND FRANCHISE:

(Less: Written off \$1,027,600.00)		344,690.78
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\$ 3,740,299.35

To the Shareholders of

UNITED AMUSEMENT CORPORATION LIMITED.

CERTI

We have audited the books and accounts of UNITED AMUSEMENT CORPORATION
mation and explanations we have required and that, in our opinion, the above Balance Sheet is p
31st December, 1939, according to the best of our information and the explanations given to us, a

Dated at Montreal, 5th February, 1940.

Corporation Limited

31st DECEMBER, 1939.

LIABILITIES AND CAPITAL

FIVE PER CENT FIRST MORTGAGE

SINKING FUND BONDS:

Authorized \$ 2,500,000.00

Series "A" due 1956

Authorized and Issued \$ 1,615,000.00

Less: Redeemed 134,500.00 \$ 1,480,500.00

BALANCE OF PURCHASE PRICE:

Theatre Property payable \$1,000.00
quarterly—beginning 1944..... 38,000.00

TRUST FUNDS—CONTRA:

Cash held in Bank for Associated Theatre
Operating Syndicates 10,738.79

CURRENT:

Accounts Payable 29,554.66
Bond Interest and Other Accrued Charges 34,303.75
Federal and Provincial Income Taxes 26,846.51 90,704.92

INSURANCE RESERVE:

(For Future Losses on Self-insured Minor Risks).. 26,237.09

CAPITAL STOCK AND SURPLUS:

Authorized:

100,000 Shares of No Par Value:

(75,000 Class "A" Shares.

25,000 Class "B" Non-Voting Shares.)

Issued:

67,708 Class "A" Shares 1,596,700.00

13,121 Class "B" Shares 253,025.00

1,849,725.00

SURPLUS—Statement attached 244,393.55 2,094,118.55

CONTINGENT LIABILITY: As Guarantor—

Principal and Interest—5% First

Mortgage \$150,000.00 Theatre Francais.

Approved on Behalf of the Board:

ERNEST A. COUSINS, }
D. A. MURRAY, } Directors.

\$ 3,740,299.35

CATE

LIMITED for the year ended December 31st, 1939. We certify that we have obtained all the information properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs at as shown by the books.

MARROTTE, ANDERSON & CO.,
Chartered Accountants.

United Amusement Corporation Limited

PROFIT AND LOSS ACCOUNT

For the year ended 31st December, 1939.

Theatre Operating Profits before			
Taxes, Licenses and Depreciation.	\$	414,967.13	
Property Revenue before Taxes and Depreciation.....		126,641.16	
Other Income		76,148.96	
Profit on Bonds Redeemed.....		33.74	\$ 617,790.99
<hr/>			
Administrative and General Expenses		102,060.26	
Taxes—excluding Import, Sales and Excise Taxes:			
Amusement Tax	\$	133,092.71	
General Taxes and Licenses		98,830.76	
Federal and Provincial Income Taxes		20,306.51	252,229.98
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Depreciation—Buildings		48,526.83	
Equipment		17,025.69	
Leasehold Theatre		5,835.84	
Franchise		16,666.66	88,055.02
<hr/>			
Bond and Other Interest		74,166.45	
Bond Underwriting Expense		6,639.00	80,805.45
<hr/>			
Net Profit for year (After Income Taxes).....			94,640.28
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			\$ 617,790.99

SURPLUS ACCOUNT

At 31st December, 1939.

Balance at 1st January, 1939	\$	241,341.64	
Add: Net Profit for year ended 31st December, 1939 (After Income Taxes).....		94,640.28	\$ 335,981.92
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APPROPRIATIONS

Dividends	60,621.75	
Additional Amount written off Franchise for the year ended 31st December, 1939.....	14,533.34	
Loss on Sale of Vacant Land	16,433.28	91,588.37
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BALANCE

Surplus at Date of Incorporation	93,336.07	
Unappropriated Profits	151,057.48	244,393.55
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		\$ 335,981.92

General Offices
United Amusement Building,
5887 Monkland Ave.,
MONTREAL

United Amusement Corporation Limited and Associated Theatres

AMHERST	St. Catherine St. E.	at	Amherst St.	MONTREAL
BELMONT	Mount Royal Ave. W.	"	St. Lawrence Blvd.	"
CORONA	Notre Dame St. W.	"	Charlevoix St.	"
FRANCAIS	St. Catherine St. E.	"	St. Lawrence Blvd.	"
GRANADA	St. Catherine St. E.	"	Morgan Bldv.	MAISONNEUVE
MONKLAND	Monkland Ave.	"	Girouard Ave.	MONTREAL
MOUNT ROYAL	Laurier Ave. W.	"	Esplanade Ave.	"
PAPINEAU	Papineau Ave.	"	Mt. Royal Ave.	"
PLAZA	St. Hubert St.	"	Beaubien St.	"
REGENT	Park Ave.	"	Laurier Ave.	"
RIALTO	Park Ave.	"	Bernard Ave.	"
RIVOLI	St. Denis St.	"	Belanger St.	"
ROSEMOUNT	Masson St.	"	11th Avenue	"
SEVILLE	St. Catherine St. W.	"	Chomedy St.	"
SNOWDON	Decarie Boulevard	"	Queen Mary Road	"
STRAND	St. Catherine St. W.	"	Mansfield St.	"
WESTMOUNT	Sherbrooke St. W.	"	Grey Ave.	"
YORK	St. Catherine St. W.	"	MacKay St.	"
SAVOY	Wellington St.	"	Willibrord St.	VERDUN
ASTOR	Victoria Ave.			ST. LAMBERT Quebec
VICTORIA	Victoria Ave.			ST. LAMBERT Quebec
GRANADA	Wellington St.			SHERBROOKE Quebec
PREMIER	King St. West			SHERBROOKE Quebec
HIS MAJESTY'S	Wellington St.			SHERBROOKE Quebec
EMPRESS	Notre Dame St.			LACHINE Quebec
ROYAL ALEXANDRA	Notre Dame St.			LACHINE Quebec
MASKA	St. Hyacinthe St.			ST. HYACINTHE Quebec

