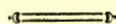


**UNITED AMUSEMENT
CORPORATION
LIMITED**



**SIXTEENTH ANNUAL REPORT
1940**

PURVIS HALL
LIBRARIES

MAR 11 1948

MCGILL UNIVERSITY

UNITED AMUSEMENT CORPORATION

LIMITED

NOTICE

The Sixteenth Annual General Meeting of Shareholders of United Amusement Corporation Limited will be held in the Rialto Theatre Building, 5711 Park Avenue, Montreal, on Wednesday the 30th April, 1941, 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.

By Order of the Board of Directors,

W. H. MANNARD,
Secretary.

Montreal, 26th February, 1941.

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 Wednesday, 30th April, 1941, 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.....1941.

Witness:

.....
Shareholder.



BOARD OF DIRECTORS

1940 - 1941



President

ERNEST A. COUSINS

Vice-Presidents

D. ALLEN MURRAY

P. G. DEMETRE

Managing Director

GEORGE GANETAKOS

HUGH MACKAY

S. GODIN, Jr.

H. N. CHAUVIN, K.C.

J. J. FITZGIBBONS

N. L. NATHANSON

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, 1940

TO THE SHAREHOLDERS:

Your Directors submit herewith for your approval, the Sixteenth Annual Report of the Corporation, together with Balance Sheet, as at the 31st December, 1940, 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, 1940, 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 \$93,788.33 equivalent to \$1.16 per share on the 80,829 outstanding No Par Value Shares of the Corporation being a decrease of only \$852.00 over the previous year. Dividends of Eighty Cents (\$0.80) per share were paid during 1940.

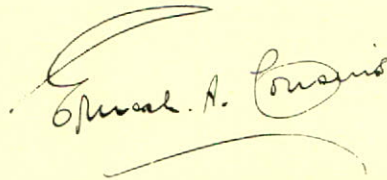
Amusement, General Taxes, Licenses, Dominion and Provincial Income Taxes, exclusive of Import, Sales and Excise Taxes, paid by your Corporation amounted to \$284,519.00 and in addition to this must be added the sum of \$57,960.00, your Corporation's proportion of the Taxes and Licenses of Associated Theatres, making a total of \$342,479.00.

The Motion Picture Industry on the night of July 15th last, gave special free performances in the theatres throughout Canada, the admission price was to show that two \$0.25 War Savings Stamps were purchased for the occasion and through this effort the initial amount realized from the cash sale of Stamps and Certificates was over \$716,000.00, and many of the people who have been started off on this campaign will, of course, continue to purchase Stamps for many weeks and months to come.

Your Company has invested a substantial amount in War Loan Bonds, the employees at the head office are participating in the purchase of War Savings Stamps 100 per cent, and the regular staff of the theatres over 85 per cent. Further co-operation with the Federal Government is the publicity displayed on our screens in connection with Income Tax payments and the purchase of War Loan Bonds and Savings Stamps.

Respectfully submitted,

For the Directors,



President.

Montreal, 15th February, 1941.

UNITED AMUSEMENT C

BALANCE

AT 31st DEC

ASSETS

FIXED—AT COST

Land.....		\$ 561,588.77
Buildings.....	\$2,268,607.41	
Equipment—General.....	361,288.21	
—Sound.....	32,391.88	
	<hr/>	
	2,662,287.50	
Less: Depreciation.....	1,073,142.53	1,589,144.97
	<hr/>	
Leasehold Theatre.....		60,303.55
		<hr/>

2,211,037.29

INVESTMENTS IN ASSOCIATED ENTERPRISES..... 547,012.34

TRUST FUNDS—CONTRA

Cash held in Bank for Associated Theatre Operating Syndicates.....	9,225.36
---	----------

CURRENT

Supplies on Hand.....	10,464.22	
Accounts Receivable.....	28,903.45	
Bonds—United Amusement Corporation Limited (Issued and Re-purchased).....	28,865.45	
—Dominion of Canada—War Loans.....	77,031.25	
Cash on Hand and in Bank.....	256,000.47	401,264.84

DEFERRED CHARGES TO OPERATIONS

Taxes, Licenses, Insurance, Repairs and Replacements....	106,215.66	
Bond Underwriting Expense.....	100,138.25	206,353.91

GOODWILL AND FRANCHISE

(Less: Written off \$1,027,600.00).....	344,690.78
---	------------

APPROVED ON BEHALF OF THE BOARD:

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

\$3,719,584.52

To the Shareholders of
UNITED AMUSEMENT CORPORATION LIMITED.

CERTI

We have audited the books and accounts of UNITED AMUSEMENT CORPORATION information and explanations we have required and that, in our opinion, the above Balance Sheet affords a true and correct view of the financial position of the Corporation at 31st December, 1940, according to the best of our information and the explanations given to us.

Dated at Montreal, 14th February, 1941

CORPORATION LIMITED

BALANCE SHEET

DECEMBER, 1940

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..... 183,000.00 \$1,432,000.00

TRUST FUNDS—CONTRA

Cash held in Bank for Associated Theatre

Operating Syndicates..... 9,225.36

CURRENT

Accounts Payable..... 34,464.98

Bond Interest and Other Accrued Charges..... 37,299.01

Federal and Provincial Taxes..... 43,795.91 115,559.90

INSURANCE RESERVE

(For Future Losses on Self-insured Minor Risks)..... 33,722.11

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..... 279,352.15 2,129,077.15

NOTE:

Contingent Liability: As Guarantor —

Principal and Interest — 5% First Mortgage

\$150,000.00 Theatre Français.

Provision has been made for Excess Profits Tax at
the rate of twelve per cent only.

\$3,719,584.52

CERTIFICATE

THE CORPORATION LIMITED for the year ended 31st December, 1940. 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 as shown by the books.

MARROTTE, ANDERSON & CO.,
Chartered Accountants.

UNITED AMUSEMENT CORPORATION LIMITED

PROFIT AND LOSS ACCOUNT

For the Year ended 31st December, 1940

Theatre Operating Profits before Taxes, Licenses and Depreciation	\$465,164.85		
Property Revenue before Taxes and Depreciation.....	111,007.09		
Other Income.....	96,879.77		
Profit on Bonds Redeemed.....	41.50	\$673,093.21	
Administrative and General Expenses.....	101,310.49		
Taxes—excluding Import, Sales and Excise Taxes:			
Amusement Tax.....	\$145,375.24		
General Taxes and Licenses.....	95,449.65		
Income and Excess Profits Taxes.....	43,694.03	284,518.92	
Depreciation—Buildings.....	91,093.79		
Equipment.....	17,980.68		
Leasehold Theatre.....	5,835.84	114,910.31	
Bond and Other Interest.....	71,926.16		
Bond Underwriting Expense.....	6,639.00	78,565.16	\$579,304.88
Net Profit for year (After Income and Excess Profits Taxes).....			93,788.33
			<u>\$673,093.21</u>

SURPLUS ACCOUNT

At 31st December, 1940

Balance at 1st January, 1940.....	\$244,393.55		
Add:			
Adjustments affecting prior periods.....	5,833.47		
		250,227.02	
Net Profit for year ended 31st December, 1940 (After Income and Excess Profits Taxes).....	93,788.33	\$344,015.35	

APPROPRIATIONS

Dividends.....	\$ 64,663.20
----------------	--------------

BALANCE

Surplus at Date of Incorporation.....	\$ 93,336.07		
Unappropriated Profits.....	186,016.08	279,352.15	
		<u>\$344,015.35</u>	

GENERAL OFFICES
United Amusement Building,
5887 Monkland Ave.,
MONTREAL

United Amusement Corporation Limited and Associated Theatres

BELMONT	Mount Royal Ave. W. at St. Lawrence Blvd.	MONTREAL
CORONA	Notre Dame St. W. " Charlevoix St.	"
FRANCAIS	St. Catherine St. E. " St. Lawrence Blvd.	"
GRANADA	St. Catherine St. E. " Morgan Blvd.	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. " Chomedey 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
EMPRESS	Notre Dame St.	LACHINE Quebec
ROYAL ALEXANDRA	Notre Dame St.	LACHINE Quebec
MASKA	St. Hyacinthe St.	ST. HYACINTHE Quebec
IMPERIAL	Richelieu St.	ST. JOHNS Quebec

