

APPENDIX No. 1

The tabulation of the statistics as given a year ago is retained in the report this year, and brought down to July 1, 1905, in the same form that was then given :—

	Capital Stock Issued.	City Telephones in Service.	Telephones in Entire System.	Toll Line Pole Mileage.	Toll Line Circuits Mileage.	Toll Points Citizens System.	Gross Earnings.	Dividends Paid.
1896	\$ 47,600	832						
1897	86,735	1976					\$ 43,742.05	
1898	129,960	2339					57,524.50	\$ 7,737.00
1899	205,850	2915		200	400		72,832.56	13,493.43
1900	391,125	3347	5459	400	900	84	104,173.81	22,971.68
1901	571,380	3588	6960	774	1660	88	147,557.64	39,544.32
1902	847,065	4523	10496	858	1917	105	198,110.98	56,255.75
1903	1,212,880	5165	13981	1020	2164	107	274,343.79	82,777.73
1904	1,609,280	5605	16388	1116	2453	130	343,392.43	112,150.16
1905	1,910,985	6633	19742	1352	3008	138	418,441.27	139,551.63

These figures present compactly very pleasing facts. You will note that the gross earnings of the company in the year just closed were \$75,048.84 larger than for the year 1904, or an increase of almost precisely 22 per cent, which is slightly greater than the increase in the number of telephones in service. In this same direction it may be stated further that at the close of the fiscal year, 1904, the yearly income from the telephones in the city exchange was at the rate of \$145,642, while the annual income of the city exchange from the 6,633 telephones in service on June 30 last, was at the rate of \$170,000. This is a gain in gross annual revenue in the Grand Rapids exchange of \$24,378 in the year. This condition and tendency will certainly be appreciated by every stockholder in the company; for besides the increase in revenue the larger service is much more useful to every patron. The revenues of your system outside the city are also improved materially, and the more than 13,000 telephones in such exchanges are earning nearly 50 cents per annum each more now than they did a year ago.

A summation of the dividend payments thus far in the history of the company gives the large total of \$474,488.70, moneys earned and paid to the stockholders of this company, more than 90 per cent of which is disbursed to the residents of Michigan, and nearly 70 per cent of which is paid to residents of Grand Rapids.

A tabulation of statistics of the year's business, like that presented last year, is here given :—

Earnings.

Exchange rentals	\$321,535 18
Tolls	84,078 29
Other income	12,827 80
	\$418,441 27

Expenses.

Operating	\$105,124 95
Maintenance, reconstruction and depreciation.....	101,881 78
General expense, interest, taxes, &c. . . .	47,114 39
Dividends	139,551 63
Carried to surplus	24,768 52
	\$418,441 27

Mr. J. B. WARE.