shareholders at any special meeting called for the purpose, and limits the total issue to one half the amount of the ordinary shares at any time outstanding.

The Act also provides that any new stock may be issued in sterling amounts, and that the outstanding ordinary stock may be converted into sterling stock at the holders' request ; every twenty pounds of sterling stock, whether ordinary or preference, to have the same voting power as a share of one hundred dollars of ordinary stock.

Your Directors now recommend that preference stock be issued for such purposes requiring new capital as may be from time to time approved by the shareholders.

The Directors wish especially to call your attention to the following items in the balance sheet :

Station balances, accounts receivable, miscellaneous securities and advances	$ 5,908,887
Temporary loans on security	3,334,425
Cash	5,290,129
Total current assets	$14,533,441
Current liabilities, including vouchers and pay rolls	$ 2,794,299
Interest and rentals accrued	1,788,213
Supplementary dividend due in February	650,000
Total current liabilities	$ 5,232,512

The current accounts payable being more than offset by station balances and current accounts receivable, it will be seen that over and above accrued interest and rentals and the February supplementary dividend, practically the entire accumulated surplus earnings of the Company as shown in the accounts ($6,923,531), is in cash, and temporary loans on security, and bearing interest.