

REPORT

OF THE

DIRECTORS TO THE SHAREHOLDERS

OF

The Bell Telephone Company of Canada

For the Year ending 31st December,

1898

The Bell Telephone Company of Canada

1898.

The Directors beg to submit their Nineteenth Annual Report.

1,637 subscribers have been added during the year, the total number of sets of instruments now earning rental being 32,082.

The Company now owns and operates 343 Exchanges and 340 Agencies.

666 miles of wire have been added to the Long Distance System in 1898; of these 326 miles are in the Ontario Department, and 340 miles are in the Eastern Department.

The Long Distance Lines now owned and operated by the Company comprise 17,233 miles of wire on 6,096 miles of poles.

In July, your Directors, acting under the power conferred upon them, offered to the shareholders, at par, 7,920 shares of new stock, in the proportion of one share of new for each four of old, all of which, with the exception of 160 shares, were promptly subscribed for. The 160 shares referred to, consisted principally of fractions of shares and of certain shares for which the parties had unintentionally omitted to subscribe. It being the wish of your Directors that all shareholders should share equally in any advantage to be derived from the new issue, it was decided to sell those 160 shares and divide the premium *pro rata* among those for whose benefit they were sold. This was done, and with satisfactory results.

The new building in Quebec is practically completed, and the new apparatus is now being installed. The new building at London is progressing favorably, and will be occupied early in the coming summer.

All of which is respectfully submitted.

ROBERT MACKAY,
Vice-President.

CHAS. F. SISE,
President.

MONTREAL, February 23rd, 1899.

REVENUE ACCOUNT, 31ST DECEMBER, 1898.

RECEIPTS.

Exchanges	\$ 935,703.52
Long Distance Lines	264,455.49
Private Lines	12,743.32
Miscellaneous	90,041.71
	\$1,302,944.04

EXPENSES.

Operating	\$897,138.73
Legal	9,582.22
Insurance	13,740.20
Bond Interest	47,042.16
Miscellaneous	4,288.99
	\$ 971,792.30
Net Revenue for 1898	\$ 331,151.74
Less Dividends (Including Jan. 14th, 1899)	263,779.93
	\$ 67,371.81
Balance Revenue from 1897	82,364.17
	\$ 149,735.98

BALANCE SHEET, 31st DECEMBER, 1898.

Stock Account.....	\$3,556,000.00
Bond Account.....	941,000.00
Contingent Fund.....	800,000.00
Revenue Account.....	149,735.98
Unearned Rental Reserve.....	173,136.16
Insurance Reserve.....	71,414.71
Accident Reserve.....	17,603.76
Bond Interest Reserve.....	11,762.50
Sundry Creditors.....	132,131.60
Bond Premium.....	6,750.00
	<u>\$5,859,534.71</u>
Plant and Patents, 31st December, 1897.....	\$4,395,548.88
" " added in 1898.....	180,727.47
	<u>\$4,576,276.35</u>
Plant and Patents, 31st December, 1898.....	\$4,576,276.35
Stores on hand.....	240,469.24
Real Estate.....	692,084.87
Stock in other Companies.....	257,731.50
Sundry Debtors.....	29,855.55
Due from Agencies.....	61,239.51
Cash.....	1,877.69
	<u>\$5,859,534.71</u>

Audited and verified,
P. S. ROSS & SONS,
Chartered Accountants.

CHAS. P. SCLATER,
Secretary-Treasurer.