

SIXTEENTH ANNUAL REPORT

OF

THE DIRECTORS

OF

THE AMERICAN BELL TELEPHONE COMPANY

TO THE STOCKHOLDERS,

YEAR ENDING DECEMBER 31, 1895.

BOSTON:

ALFRED MUDGE & SON, PRINTERS,

NO. 24 FRANKLIN STREET,

1896.

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OFFICE OF
THE AMERICAN BELL TELEPHONE CO.,
BOSTON, MARCH 31, 1896.

TO THE STOCKHOLDERS :

Tables showing the output of telephones from 1884 to the close of the year 1895, and exhibiting the consolidated statistics of our companies licensees, are as follows : —

INSTRUMENTS IN THE HANDS OF LICENSEES UNDER RENTAL.

THE FIGURES IN LOWER LINE SHOWING INCREASE FROM YEAR TO YEAR.

Dec. 20, 1884.	Dec. 20, 1886.	Dec. 20, 1886.	Dec. 20, 1887.	Dec. 20, 1888.	Dec. 20, 1889.	Dec. 20, 1890.	Dec. 20, 1891.	Dec. 20, 1892.	Dec. 20, 1893.	Dec. 20, 1894.	Dec. 20, 1895.
325,574	330,040	353,518	380,277	411,511	444,861	483,790	512,407	532,720	566,491	582,506	674,976
4,466	23,478	26,759	31,234	33,350	38,929	40,313	13,771	16,015	92,470		

EXCHANGES.

	Jan. 1, 1884.	Jan. 1, 1885.	Jan. 1, 1886.	Jan. 1, 1887.	Jan. 1, 1888.	Jan. 1, 1889.	Jan. 1, 1890.	Jan. 1, 1891.	Jan. 1, 1892.	Jan. 1, 1893.	Jan. 1, 1894.	Jan. 1, 1895.	Jan. 1, 1896.	Increase over 1895.
Exchanges	906	772	747	736	739	742	757	774	788	812	838	867	927	60
Branch Offices,	419	481	428	446	452	452	471	467	509	539	571	572	686	114
Miles of wire on poles.....	—	88,481	100,332	111,349	127,839	142,631	154,009	171,498	180,139	201,259	214,676	232,008	260,324	28,316
Miles of wire on buildings....	—	11,886	10,043	10,587	10,225	10,266	11,484	13,445	14,954	14,980	16,492	14,525	12,861	1,664*
Miles of wire underground,	—	1,225	3,417	6,030	8,009	17,088	27,117	54,690	70,334	90,216	120,675	148,285	184,515	36,230
Miles of wire submarine....	—	—	254	265	365	536	603	779	1,029	1,336	1,637	1,856	2,028	172
Total miles of wire.....	85,896	101,592	114,046	128,231	146,438	170,471	193,213	240,412	266,456	307,791	353,480	396,674	459,728	63,054

EXCHANGES—Continued.

	Jan. 1, 1884.	Jan. 1, 1885.	Jan. 1, 1886.	Jan. 1, 1887.	Jan. 1, 1888.	Jan. 1, 1889.	Jan. 1, 1890.	Jan. 1, 1891.	Jan. 1, 1892.	Jan. 1, 1893.	Jan. 1, 1894.	Jan. 1, 1895.	Jan. 1, 1896.	Increase over 1895.
Total Circuits,	97,422	107,440	112,067	121,260	132,004	143,687	156,780	173,665	186,462	201,322	205,891	212,074	237,837	25,763
Total Em- ployees,	4,762	5,168	5,438	5,843	6,183	6,310	6,758	7,845	8,376	9,970	10,421	11,094	11,930	836
Total Stations,	123,625	134,847	137,750	147,068	158,712	171,454	185,003	202,931	216,017	232,140	237,186	243,432	281,695	38,263

* Decrease.

EXCHANGE CONNECTIONS.

The estimated number of exchange connections daily in the United States, made up from actual count in most of the exchanges, is

Or a total per year of about

The number of daily calls per station varies in different exchanges from 1 to

16 $\frac{2}{3}$, the average throughout the United States being 8 $\frac{1}{3}$, which shows a slight decrease from last year in the average use made of the telephone by each subscriber, due to the introduction of the Measured Service system.

The average cost to the subscriber varies, according to the size of the exchange and character of the service, from less than 1 to 10 $\frac{2}{3}$ cents per connection.

made up from

2,351,420

757,000,000

EXTRA-TERRITORIAL AND TOLL LINES.

	Jan. 1, 1884.	Jan. 1, 1885.	Jan. 1, 1886.	Jan. 1, 1887.	Jan. 1, 1888.	Jan. 1, 1889.	Jan. 1, 1890.	Jan. 1, 1891.	Jan. 1, 1892.	Jan. 1, 1893.	Jan. 1, 1894.	Jan. 1, 1895.	Jan. 1, 1896.	Increase.
Miles of Pole Lines .	20,592	25,766	30,697	31,143	32,478	34,010	35,254	35,541	41,298	42,894	46,727	49,324	52,873	3,549
Miles of Wire .	29,359	35,631	41,745	43,767	56,179	73,293	86,728	91,230	115,088	133,002	154,106	180,557	215,687	35,130

TOLL CONNECTIONS.

The average daily number of toll connections is	.	.	.	.	.	.	.	.	.	.	.	.	.	51,123
Or a total per year of about	.	.	.	.	.	.	.	.	.	.	.	.	.	16,400,000
The toll revenue reported by all companies for the year 1895 was	.	.	.	.	.	.	.	.	.	.	.	.	.	\$2,940,444 40*
Earnings of extra-territorial lines included in the above sum amounted to	.	.	.	.	.	.	.	.	.	.	.	.	.	1,311,029 51*
Of which last amount this company received	.	.	.	.	.	.	.	.	.	.	.	.	.	148,694 47
An increase over 1894 of	.	.	.	.	.	.	.	.	.	.	.	.	.	41,755 01

* Not including herein earnings of the American Telephone and Telegraph Company.

UNDERGROUND WIRES IN USE.

	Jan. 1, 1886. Miles.	Jan. 1, 1887. Miles.	Jan. 1, 1888. Miles.	Jan. 1, 1889. Miles.	Jan. 1, 1890. Miles.	Jan. 1, 1891. Miles.	Jan. 1, 1892. Miles.	Jan. 1, 1893. Miles.	Jan. 1, 1894. Miles.	Jan. 1, 1895. Miles.	Jan. 1, 1896. Miles.	Increase over 1895. Miles.
Albany, N. Y.	1	1	1	1	1	1	.....	971	1,259	1,259	1,358	99
Atlanta, Ga.									1,636	1,745	1,745	.....
Aurora, Ill.						4	4	.....	4	4	8	4
Baltimore, Md.						2,708	4,295	4,314	4,314	4,341	4,342	1
Boston, Mass.	289	347	736	1,580	3,599	5,485	7,680	8,281	8,361	11,202	15,087	4,485
Bridgeport, Conn.							425	238	162	190	209	19
Brookline, Mass.								57	532	541	1,082	541
Brooklyn, N. Y.	134	1,233	1,443	2,197	2,254	4,199	4,542	5,652	6,972	6,921	7,255	334
Buffalo, N. Y.					1,170	1,414	1,756	2,410	2,767	2,779	2,941	162
Cambridge, Mass.						275	275	408	648	648	682	34
Chicago, Ill.	760	1,462	2,000	3,127	3,255	6,444	7,288	14,010	18,554	18,737	20,352	1,615
Cincinnati, O.									4,345	5,649	7,641	1,992
Cleveland, O.						595	645	1,697	2,228	5,029	5,638	609
Danbury, Conn.											78	78
Dedham, Mass.									2	2	2	.....
Denver, Col.						1,175	1,175	1,572	1,754	1,791	1,798	7
Derby, Conn.								20	18	9	11	2
Detroit, Mich.	82	175	500	871	1,101	1,145	1,235	4,409	5,489	5,415	*74	
Elmira, N. Y.										230	350	120
Evanston, Ill.											8	8
Frederick, Md.											3	3
Fresno, Cal.											139	139
Grand Rapids, Mich.										3	359	356
Hagerstown, Md.											4	4
Hartford, Conn.							769	339	340	425	509	84
Holyoke, Mass.									330	404	360	*44
Jersey City, N. J.										1,720	2,024	304
Lawrence, Mass.								114	146	146	181	36
Long Branch, N. J.											4	4
Lincoln, Neb.											502	502
Los Angeles, Cal.									1,027	984	1,607	623
Louisville, Ky.	9	238	469	780	1,114	1,182	1,650	2,490	4,576	5,317	741	
Lowell, Mass.					4	150	165	267	250	317	960	643
Lynn, Mass.											767	767

* Loss.

UNDERGROUND WIRES IN USE, CONTINUED.

	Jan. 1, 1886. Miles.	Jan. 1, 1887. Miles.	Jan. 1, 1888. Miles.	Jan. 1, 1889. Miles.	Jan. 1, 1890. Miles.	Jan. 1, 1891. Miles.	Jan. 1, 1892. Miles.	Jan. 1, 1893. Miles.	Jan. 1, 1894. Miles.	Jan. 1, 1895. Miles.	Jan. 1, 1896. Miles.	Increase over 1895. Miles.
Manchester, N. H.....											187	187
Medford, Mass.....									10	10	10	.....
Meriden, Conn.....											42	42
Middletown, Conn.....										1	2	1
Milwaukee, Wis.....	1	1				1,047	2,165	5,181	5,242	5,262	5,262	.....
Minneapolis, Minn.....						734	1,029	1,246	1,516	2,044	2,185	141
Newark, N. J.....										2,348	3,073	725
New Bedford, Mass.....										30	30	.....
New Britain, Conn.....									15	13	16	3
New Haven, Conn.....					300	546	832	390	449	618	679	61
New Orleans, La.....											3	3
Newport, R. I.....											27	27
Newton, Mass.....									60	159	135	*24
New York, N. Y.....	627	627	1,120	5,203	10,900	22,507	26,881	28,216	30,397	38,125	38,986	861
Niagara Falls, N. Y.....									25	29	35	6
North Adams, Mass.....											132	132
Norwich, Conn.....										9	10	1
Oakland, Cal.....										463	1,583	1,120
Omaha, Neb.....									1,351	1,360	1,367	7
Orange, N. J.....							6				13	13
Philadelphia, Pa.....							1,437	2,895	3,289	3,509	10,999	7,490
Pittsburgh, Pa.....	614	966	958	2,370	2,394	2,868	2,920	3,103	5,713	5,929	6,499	570
Portland, Me.....								51	70	70	410	340
Providence, R. I.....										541	3,903	3,362
Reading, Pa.....											298	298
Rochester, N. Y.....						110	242	444	677	1,183	1,302	119
Sacramento, Cal.....											333	333
Salem, Mass.....										65	150	85
Salt Lake City, Utah.....											40	40
San Antonio, Texas.....											365	365
San Francisco, Cal.....							985	2,415	4,047	4,346	8,031	3,685
Seabright, N. J.....								2	19	19	27	8
Somerville, Mass.....										4	.....	*4
South Omaha, Neb.....									6	6	6	.....

* Loss.

UNDERGROUND WIRES IN USE, CONCLUDED.

	Jan. 1, 1886. Miles.	Jan. 1, 1887. Miles.	Jan. 1, 1888. Miles.	Jan. 1, 1889. Miles.	Jan. 1, 1890. Miles.	Jan. 1, 1891. Miles.	Jan. 1, 1892. Miles.	Jan. 1, 1893. Miles.	Jan. 1, 1894. Miles.	Jan. 1, 1895. Miles.	Jan. 1, 1896. Miles.	Increase over 1896. Miles.
Springfield, Mass.....								74	553	553	626	73
St. Louis, Mo.....											44	44
Stockton, Cal.....									288	236	288	52
St. Paul, Minn.....						580	759	873	1,304	1,301	1,676	375
Wallingford, Conn....											10	10
Washington, D. C....	992	1,302	1,338	1,591	1,589	1,633	1,764	2,111	2,782	3,865	3,621	||244
Waterbury, Conn.....											151	151
West Newton, Mass..											203	203
Wilkes Barre, Pa....										189	189	.....
Wheeling, W. Va. ...								33	33	592	592	.....
Worcester, Mass.											1,271	1,271
Yonkers, N. Y.									331	331	432	101
American Telephone and Telegraph Co.'s long distance wires.	3,417	6,030	8,009	17,038	27,117	54,690	*70,386	†90,269	‡120,731	§148,351	§184,581	36,230
Total	3,417	6,030	8,149	17,365	27,676	55,823	71,506	91,463	121,930	149,592	185,845	36,253

* Includes 52 miles classed as toll wire.

† Includes 53 miles classed as toll wire.

‡ Includes 56 miles classed as toll wire.

§ Includes 66 miles classed as toll wire.

|| Loss.

The last year has been one of unprecedented growth in the output of instruments, in the number of exchange subscribers, and in the mileage of wire, whether used for exchange purposes or for toll lines. The number of telephones outstanding on the 20th day of December, 1895, exceeded the number outstanding on December 20th, 1894, by the sum of 92,470; much more than twice the gain in any previous year, and about three times the average yearly gain. This stood, too, for an increase in the number of subscribers of 38,263 on January 1st, 1896, as compared with the year previous. Not only has the business increased with such great strides during the year, but the tendency to turn itself into the best class of service, metallic circuit, has continued without abatement, or rather has increased in rapidity. January 1st, 1896, finds the total number of metallic stations 94,747; being a gain during the year of 40,067 over the number with which the year began. A comparison of the figures of the last four years may be interesting. They are as follows:—

The figures in lower line show increase from year to year.

Metallic Circuit Stations.

Jan. 1, 1892.	Jan. 1, 1893.	Jan. 1, 1894.	Jan. 1, 1895.	Jan. 1, 1896.
11,584	23,053	37,648	54,680	94,747
	11,469	14,595	17,032	40,067

In connection with this fact should be noted the increase of thirty-three per cent. in the number of toll line conversations, the metallic circuit subscribers being large users of that class of service.

In the Long Distance Company's system there were on Jan. 1, 1896, in operation, 5,804 miles of pole line and cables and 90,251 miles of wire, connecting 149 offices, an increase during the year of 1,187 miles of pole line and cables, 14,695 miles of wire and 14 offices.

The principal points to which service was opened during the year were: Momence, Kankakee, and Watseka, Illinois; Brazil,

Princeton, Vincennes, Michigan City, Sullivan, and Clinton, Indiana; Sidney, and Ashtabula, Ohio; Louisville, Frankfort, Henderson, and Hopkinsville, Kentucky; Grand Rapids, Michigan; Nashville, Tennessee; and Bath, and Corning, New York.

The following tables show the condition of the companies with which the Long Distance Company connects, as regards their metallic circuit development:—

Comparative Statement.

	Number of Companies.	Number of Stations.	Connected by Metallic Circuit.		Cabinet Sets.
			No.	Per cent.	
January 1, 1895,	26	165,992	51,188	30.83	17,024
January 1, 1896,	29	201,987	78,755	38.99	20,173
Increase,	3	35,995	27,567	8.16	3,149

In all there are 29 companies reached whose systems furnish our long line terminals. These companies report a total of 201,987 stations, of which 78,755 (38.99 per cent.) are connected by metallic circuit. And of these 78,755 stations, 20,173 are equipped with long distance cabinet sets.

The introduction, in many of the larger cities, of the measured service system, to which reference was made in preceding reports, has been productive of good results in bringing the service within the reach of many who, not having occasion for large use of the exchange connection, did not feel justified in paying the rates which would entitle them to unlimited service.

While a considerable proportion of the subscribers at the principal exchange centres will continue to find that their business transactions require such constant use of the telephone that the payment of an annual rental, with unrestricted service, is the more advantageous, and results in a very low cost for each connection, the new plan, which recognizes and provides for varying degrees of use, by extending to the subscriber the choice either of the fixed or graduated schedule of charges, has met with general approval

where it has been adopted, and has largely contributed to the gain in number of exchange stations.

During the year the companies leasing our instruments expended for new construction, \$6,463,000; for addition to real estate, \$465,000; and for repair and reconstruction, \$7,223,000; making a total of \$14,151,000 applied to extension and care of the telephone plant in the United States.

Expenditure upon this scale has now been going on for many successive years, and has resulted, not alone in the building up of a very extended telephone system, but in bringing that system, throughout the country as a whole, to a high state of efficiency.

The principal cities and towns through most of the states east of the Mississippi are now connected by wire, and conversation can be held by telephone over distances of fifteen hundred miles, which is more than twice the length of line anywhere brought into use for this purpose outside the United States.

To make this communication possible, not only have the long lines to be constructed of heavy material and in the most thorough manner, but terminal connections and equipment must be built and maintained at a correspondingly high standard, and the details of management and operation must be in the hands of competent and highly trained employees.

The boards of direction of the numerous companies operating under our patents have been fully alive to the fact that telephone subscribers, in the great cities and the lesser, require a service instant at their call and thoroughly effective for the transaction of business, whether to points near at hand or hundreds of miles distant.

We believe there is no room for doubt that the policy which has quite generally been pursued in this country, of building up a system substantial in its construction, effective in operation, quick to adopt improvements of method or inventive device tending to advance the standard of service and invite more extended use of its facilities, has provided for the requirements of the American people a service effective to a degree not elsewhere attained. Within the last five years alone, 130,000 miles of telephone wire

have been placed underground, and cost has not been spared in any direction, which would tend to better results in service.

The effect of this policy, which this company has consistently encouraged and promoted, is seen in the enormous development of the telephone use in this country as compared with others.

The latest statistics, derived from official reports and scientific journals, give the entire number of telephone stations, of all classes, in Continental Europe as 300,809. These countries have populations aggregating more than three hundred millions of people, and do not include Portugal, Greece and Turkey, where the business has been but little developed. In the United States, having a population of 62,622,000, there are 308,751 exchange and private line stations operated by licensees of this company.

Great Britain, with a population of 38,105,000, has 89,095 telephone stations of all classes.

It is a fair inference from these comparative figures that subscribers in this country, to a greater extent than elsewhere, have come to regard the telephone service as an agent highly advantageous to their interests, in the conduct of their business and household affairs.

In the suit of *The United States v. The American Bell Telephone Company and Alexander Graham Bell*, the defendants closed their evidence on November 7, 1895. The complainant thereafter presented a motion to the Court for an order allowing until and including May 31, 1896, within which to take evidence in reply. This motion was heard and granted December 30, 1895. Since then no testimony has been taken.

The suit of the *United States v. The American Bell Telephone Company et al.*, brought for the repeal of the Berliner patent, was argued on appeal before the Circuit Court of Appeals for the First Circuit on the 16th, 17th, 18th, and 19th days of April, 1895. On the 14th day of June, 1895, as of May 18, 1895, the Court rendered an opinion in favor of the defendants, reversing the decree of the Circuit Court and ordering that the bill be dismissed.

The Government has taken an appeal to the Supreme Court of the United States, which has been advanced on the docket of the Court and will be argued on the nineteenth day of October next.

In a strong opinion the Court of Appeals finds that there was no basis for the complainant's contention that the American Bell Telephone Company was in any way responsible for the delay in the issue of the Berliner patent.

The ledger balances as they stood on the 31st of December, 1895, and a statement in detail of the earnings and expenses of that year, and of the earnings and expenses of the year 1894, for purposes of comparison, are furnished by the Treasurer and are appended.

The Long Distance Company had invested up to December 31, 1895, in line construction, franchises, equipment, and supplies, \$11,435,055.02. The Company shows an increase in gross earnings in 1895 over 1894 of 31.1 per cent, the amount for 1895, gross, being \$1,326,683.89. It will be remembered that the gross earnings for 1894 were \$1,011,961.82; for 1893, \$892,361.62; for 1892, \$643,436.77.

Copies of the reports of the Auditing Committee of April 16, 1895, July 16, 1895, Oct. 17, 1895, and Feb'y 11, 1896, accompany this report.

For the Directors,

JOHN E. HUDSON,

President.

LEDGER BALANCES DEC. 31, 1895.

DEBTORS.

Telephones	\$1,285,946 63
Real Estate	1,045,926 86
Stocks	44,121,680 95
Merchandise and Machinery	14,054 66
Bills and Accounts Receivable	3,463,213 83
Cash and Deposits	1,337,892 83

CREDITORS.

Capital Stock	\$21,500,000 00	
“ “ Premium Account,	1,398,435 00	
Debenture Bonds 1888	2,000,000 00	
Bills and Accounts Payable*	1,120,616 01	
Patent Account (Profit and Loss),	12,713,809 16	
Profit and Loss	6,349,444 13	
Reserve	4,035,399 85	
Surplus	2,151,011 61	
	\$51,268,715 76	\$51,268,715 76

* Of this amount \$967,500 is for the dividends payable Jan. 15, 1896, to stockholders of record Dec. 31, 1895.

Comparative Statement of Earnings and Expenses.

EARNINGS.

	1894.	1895.
Rental	\$2,502,992 17	\$2,125,359 05
Dividends	1,937,657 77	2,523,149 61
Commission from Ex-Terr. Lines,	106,939 46	148,694 47
Commission from Teleg. Business,	29,352 96	32,422 65
Real Estate	69,675 09	76,175 50
Interest	196,455 11	215,320 06
Miscellaneous	5,172 38	3,831 49
	<u>\$4,848,244 94</u>	<u>\$5,124,952 83</u>

EXPENSES.

Expenses of Operation . .	\$430,340 29	\$495,611 87
Legal Expenses	178,342 88	182,754 73
Real Estate	35,798 34	37,452 70
Interest and Taxes	356,478 51	245,536 83
Commission	459,958 71	296,284 36
Royalty	5,000 00	1,452 03
Concessions	231,713 64	649,508 41
Miscellaneous	26,827 50	2,592 37
	<u>\$1,724,459 87</u>	<u>\$1,911,193 30</u>
Net Earnings	\$3,123,785 07	\$3,213,759 53

Surplus Account, Dec. 31, 1894, \$2,151,011 61

Net Earnings, 1895 . . . \$3,213,759 53

\$5,364,771 14

Regular Dividends, 1895 . \$2,502,453 00

Extra Dividends, 1895 . . 630,000 00

Reserve for Unadjusted Accounts, 81,306 53

3,213,759 53

Surplus Account Dec. 31, 1895,

\$2,151,011 61

REPORTS OF AUDITING COMMITTEE.

BOSTON, MASSACHUSETTS.

16 April, 1895.

JOHN E. HUDSON, Esq^r,*President Am'n Bell Telephone Co.**Dear Sir,—*

With this I enclose the report of Mr. Chas. T. Plimpton, an expert accountant employed by me to examine the books of our Company for the quarter ending March 30th, 1895.

Respectfully yours,

FRANCIS BLAKE,

Auditing Committee, A. B. Tel. Co.

BOSTON, April 13, 1895.

I have audited the books and accounts of the American Bell Telephone Co. for the quarter ending March 30, 1895, and have to report as follows:—

I have made examination of the Cash in hand, and in the banks and trust companies, at the close of business March 30, 1895, and find the amount, after allowing for outstanding checks, to agree with the balance of the Cash book upon that date.

I have seen approved and receipted vouchers for all disbursements, and have verified the records of cash receipts.

I have examined and verified the accounts of revenue, including rentals, commissions and concessions, and have seen that all notes, Stock certificates, and other securities owned by the company are in hand or properly accounted for, and correctly entered upon the books.

I have found all Cash book and Journal entries duly posted to the Ledger, and the footings correct, and have proved the balance sheets.

I have examined the Stockholders' Ledger, and the Stock Certificate books, and found the amount of outstanding stock to agree with the Capital Stock account in the General Ledger.

I hereby certify that in all my investigations, as above recited, I have found everything correct.

CHA'S T. PLIMPTON,

Auditor.

BOSTON, MASSACHUSETTS.

16 July, 1895.

JOHN E. HUDSON, Esq^{re}.*President Am'n Bell Telephone Co.**Dear Sir, —*

With this I enclose the report of Mr. Chas. T. Plimpton, an expert accountant employed by me to examine the books of our Company for the quarter ending June 30th, 1895.

Respectfully yours,

FRANCIS BLAKE,

Auditing Committee, A. B. Tel. Co.

BOSTON, July 15, 1895.

I have audited the books and accounts of the American Bell Telephone Company for the quarter ending June 30, 1895, and have to report as follows : —

I have made examination of the Cash in hand and in the banks and trust companies, at the close of business June 29, 1895, and find the amount, after allowing for outstanding checks, to agree with the balance of the Cash book upon that date.

I have seen approved and receipted vouchers for all disbursements, and have verified the records of cash receipts.

I have examined and verified the accounts of revenue, including rentals, commissions and concessions, and have seen that all notes, Stock certificates, and other securities owned by the company are in hand or properly accounted for, and correctly entered upon the books.

I have found all Cash book and Journal entries duly posted to the Ledger, and the footings correct, and have proved the balance sheets.

I have examined the Stockholders' Ledger and the Stock Certificate books, and found the amount of outstanding stock to agree with the Capital Stock account in the General Ledger.

I hereby certify that in all my investigations, as above recited, I have found everything correct.

CHA'S T. PLIMPTON,

Auditor.

BOSTON, MASSACHUSETTS.

17 October, 1895.

JOHN E. HUDSON, Esq^{re}.*President Am'n Bell Telephone Co.**Dear Sir, —*

With this I enclose the report of Mr. Chas. T. Plimpton, an expert accountant employed by me to examine the books of our Company for the quarter ending September 30th, 1895.

Respectfully yours,

FRANCIS BLAKE,

Auditing Committee, A. B. Tel. Co.

BOSTON, October 16, 1895.

I have audited the books and accounts of the American Bell Telephone Company for the quarter ending September 30, 1895, and have to report as follows: —

I have made examination of the Cash in hand and in the banks and trust companies at the close of business Sept'r 30, 1895, and find the amount, after allowing for outstanding checks, to agree with the balance of the Cash book upon that date.

I have seen approved and receipted vouchers for all disbursements, and have verified the records of cash receipts.

I have examined and verified the accounts of revenue, including rentals, commissions and concessions, and have seen that all notes, Stock certificates, and other securities owned by the company are in hand or properly accounted for, and correctly entered upon the books.

I have found all Cash book and Journal entries duly posted to the Ledger, and the footings correct, and have proved the balance sheets.

I have examined the Stockholders' Ledger and the Stock Certificate books, and found the amount of outstanding stock to agree with the Capital Stock account in the General Ledger.

I hereby certify that in all my investigations, as above recited, I have found everything correct.

CHA'S T. PLIMPTON,

Auditor.

BOSTON, MASSACHUSETTS.

11 February, 1896.

JOHN E. HUDSON, Esq^{re}.*President Am'n Bell Telephone Co.**Dear Sir, —*

With this I enclose the report of Mr. Chas. T. Plimpton, an expert accountant employed by me to examine the books of our Company for the quarter ending December 31st, 1895.

Respectfully yours,

FRANCIS BLAKE,

Auditing Committee, A. B. Tel. Co.

BOSTON, February 10, 1896.

I have audited the books and accounts of the American Bell Telephone Company for the quarter ending December 31, 1895, and have to report as follows : —

I have made examination of the Cash in hand, and in the banks and trust companies, at the close of business December 31, 1895, and find the amount, after allowing for outstanding checks, to agree with the balance of the Cash book upon that date.

I have seen approved and receipted vouchers for all disbursements, and have verified the records of cash receipts.

I have examined and verified the accounts of revenue, including rentals, commissions and concessions, and have seen that all notes, Stock certificates, and other securities owned by the company are in hand or properly accounted for, and correctly entered upon the books.

I have found all Cash book and Journal entries duly posted to the Ledger, and the footings correct, and have proved the balance sheets.

I have examined the Stockholders' Ledger and the Stock Certificate books, and found the amount of outstanding stock to agree with the Capital Stock account in the General Ledger.

I hereby certify that in all my investigations, as above recited, I have found everything correct.

CHA'S T. PLIMPTON,

Auditor.

