

The amount placed with the company by investors, on deposit and in debentures, continues to increase—the deposits now being \$1,292,807, and debentures \$2,641,002, or a total of \$3,933,809, as against \$3,784,672 last year.

The amount of money loaned on mortgage security during the year is \$1,105,339.02; and there has been paid back by borrowers \$1,339,256.74, viz.—in Manitoba \$123,969.59, and in Ontario \$1,215,287.15.

The increasing volume of the company's business rendered it necessary, during the past year, to further increase the capital stock, in order that the limit of the company's borrowing powers, in proportion to their capital, as prescribed by law, should not be exceeded.

The directors, therefore, issued 10,000 new shares of capital stock, at a premium equal to the existing reserve fund, and upon which twenty per cent. was called in. The whole issue was taken up and the premium carried to the reserve fund.

Since the last annual meeting the board has lost, by death, one of its oldest members, the late Mr. Samuel Platt, who, for about twenty years, has been a valued and efficient director. The vacancy occasioned by Mr. Platt's death has been filled by the election of the manager, Mr. Walter S. Lee, to be a member of the board.

It having become necessary to make certain alterations in the company's by-laws, in order to bring them into conformity with the amendments to the Act of Incorporation, they have been carefully revised by the board, and are now submitted to the shareholders for their approval and confirmation.

The balance sheet and profit and loss account, together with the auditors' report, are submitted herewith.

G. W. ALLAN,
President.

STATEMENT OF LIABILITIES AND ASSETS OF THE
WESTERN CANADA LOAN AND SAVINGS COMPANY,
31ST DECEMBER, 1887.

Liabilities.

To Shareholders—	
Capital stock.....	\$1,400,000 00
Reserve Fund.....	700,000 00
Contingent & Guarantee Funds....	101,252 09
Dividend, payable 8th January, 1888	66,157 01
	<hr/> \$2,267,409 10

To the Public—	
Deposits & interest..	1,292,807 58
Debentures and interest	2,641,002 16
	<hr/> 3,933,809 74
Sundry accounts ..	853 22
	<hr/> \$6,202,072 06

Assets.

Loans, secured by mortgages....	\$5,907,995 23
Office premises	19,895 54
Cash in office	240 61
Cash in banks	244,044 00
Cash in bankers' hands in Great Britain	29,426 92
Sundry accounts	469 76
	<hr/> \$6,202,072 06

PROFIT AND LOSS.

Dr.

Cost of management, including salaries, rent, inspection, valuation, office expenses, branch offices, &c.....	\$ 37,912 29
Directors' compensation.....	3,690 00
Dividends and tax thereon.....	133,199 40
Interest on deposits.....	50,110 90
" debentures	121,610 90
Agents' commissions on loans and debentures	7,433 69
Carried to contingent and Guarantee accounts	20,583 02
	<hr/> \$374,570 20

Cr.

Interest on mortgages, &c.....	374,570 20
	<hr/> \$374,570 20

WALTER S. LEE,
Managing Director.

To the Shareholders of the Western Canada Loan and Savings Company:

GENTLEMEN,—We beg to report that we have made a thorough examination of the books of the Western Canada Loan and Savings Com-

pany, for the year ending on 31st December, 1887, and have pleasure in certifying that the above statements of assets and liabilities and profit and loss are correct, and show the true position of the company's affairs.

Every mortgage and debenture or other security, with the exception of those of the Manitoba Branch, which have been inspected by a special officer, have been compared with the books of the company. They have been proved to be correct and to correspond with the totals, as set forth in the schedules and ledgers. The bank balances have been proved and we certify to their correctness.

W. R. HARRIS, } Auditors.
FRED. J. MENET, }

January 30th, 1888.

The president then said:—

In meeting you to-day, to give an account of their stewardship for the past year, the directors think that they are warranted in stating, that there has not been at any annual meeting a more generally satisfactory report laid before the shareholders, than the one now submitted to you, or a financial statement which shows a sounder or more healthy condition of affairs, than the balance sheet and profit and loss account which accompanies the report.

The financial results of the year's business show that, after the payment of the usual unvarying dividend, we have been enabled to carry a handsome sum to the contingent accounts, thus further strengthening the company against any unforeseen losses, and affording an increased guarantee to the shareholders for the continuance of a permanently uniform dividend.

The amounts received during the past year from investors, both in the shape of deposits, and in debentures, show unabated confidence on their part in the stability of this company. Perhaps no more satisfactory proof of this confidence in the company can be offered, more especially in regard to our debentures, than the fact that we have had no difficulty in renewing or replacing our old bonds which have matured, and disposing of our new issue, in both cases to bear interest at the rate of four per cent. only, our English investors being, as it would seem, so thoroughly satisfied with the character of the securities that even where they had been previously receiving a higher rate of interest on the bonds which they held, and which had then matured, they preferred to renew them at a lower rate of interest rather than change their investment.

In regard to our mortgage loans, and the repayments made upon them during the year, I may point, with satisfaction, to the paragraph, which says, that the amount of money loaned on mortgage during the year is \$1,105,339.02, and that there has been paid back by borrowers \$1,339,256.74, viz., in Manitoba \$123,969.59, and in Ontario \$1,215,287.15. I especially call your attention to the Manitoba repayments, and am glad to be able to tell you that the business there, during the past year, has been most satisfactory. The magnificent crops with which that province has been blessed have, of course, mainly contributed to these results, but I think we may also claim some credit for the great care which has been taken in placing our loans, and the excellent system of inspection which we have established, by which we have avoided some mistakes which were committed in the earlier years of our business there.

In connection with this subject of our Manitoba loans I may mention that a most careful revision has been made of the value of the properties held by us, and any ascertained loss has been charged to the guarantee fund. I may also state that among these properties is a valuable building site on the main street in Winnipeg, which, it was found, could be made to bring in a very good return, if built upon, and the directors accordingly decided to erect a building, in which suitable offices could be provided for the company, and the remainder rented for shops and other purposes. This has been done, and the company now occupies one of the best and most prominent positions in the main street, while the rentals derived from the other occupants of the building yield good interest upon the outlay.

For the reasons stated in the report, the directors found it necessary during the past year, to issue 10,000 new shares of capital stock, the whole of which, I need scarcely say, was speedily taken up, and the premium, as the report states, carried to the reserve fund.

At our last annual meeting we had present with us, apparently in the enjoyment of excellent health, and with the prospect of many

more years before him, our late friend and colleague, Mr. Samuel Platt. His sudden death deprived the board of one of its oldest and most valued members. The vacancy caused by Mr. Platt's death has been filled, as stated in the report, by the election of the manager, Mr. Walter S. Lee, who is now managing director, a well merited compliment—I am sure the shareholders will all agree with me—being thus paid to one whose ceaseless and watchful care of the interests of the company, and unflagging devotion to the duties of his position, have mainly contributed to place the Western Canada in the forefront of our monetary institutions.

The confirmation by the shareholders of certain alterations in the company's by-laws, to bring them into conformity with the amendments to the Act of Incorporation, will be asked for to-day. These by-laws have been carefully revised, and are now submitted by the directors for approval and confirmation by the shareholders.

In connection with the last paragraph of the report, "the balance sheet and profit and loss account, together with the auditors' report, are submitted herewith," I would beg to call the special attention of the meeting to the language of the auditors' report, in which they set forth that, in addition to a thorough examination of the books, "every mortgage and debenture, or other security, with the exception of those of the Manitoba branch, which had been inspected by a special officer, have been compared with the books of the company, they have been proved to be correct and to correspond with the totals, as set forth in the schedules and ledgers. The bank balances have been proved and we certify to their correctness."

In these times more especially, it is most important that our shareholders should understand that our audit is no perfunctory affair, but a thoroughly, conscientious, faithful and, I am bound to say also, a most laborious examination. We are most fortunate in having two gentlemen as auditors whose ability for the task is unquestionable and is only equalled by the conscientiousness with which they discharge their duties.

I cannot conclude without referring to our obligations to those who act for and represent the company on the other side of the Atlantic. To our bankers in London, Messrs. Morton, Rose and Company, our best thanks are due for their uniform promptitude and courtesy in the transaction of our business, and to the ability and energy of our invaluable agents, Messrs. Bell, Cowan & Co., of Edinburgh, and their wise and judicious counsels, is due the great and uniform success which has attended the disposal of the company's debentures in Great Britain.

A ballot was taken for the election of three directors, and the retiring members were re-elected, viz., the Hon. Geo. W. Allan, Thos. H. Lee and Sir David Macpherson, K.C.M.G. These gentlemen and Messrs. George Gooderham, Geo. W. Lewis, Alfred Gooderham, with Walter S. Lee as managing director, constitute the full board.

At a meeting of the directors held subsequently, the Hon. Geo. W. Allan and Mr. George Gooderham were re-elected president and vice-president respectively.

NORTH AMERICAN LIFE ASSURANCE COMPANY.

The annual meeting of the North American Life Assurance Company was held at the head office of the company, 22 to 28 King street west, Toronto, on Thursday, the 27th day of January, when the annual report was submitted as follows:—

REPORT.

In submitting their annual report the directors have much pleasure in stating that in every department tending to the company's substantial progress and prosperity, the year's operations have been most satisfactory.

During the year 1,578 applications for \$2,420,050 were received, upon which were issued 1,515 policies for \$2,294,550, the rest being unacceptable, and 7 policies for \$10,635, which had lapsed for non-payment of premium, were revived.

The accompanying revenue account and balance sheet show that the reserve fund has been increased by \$104,826 and that fund now amounts to the handsome sum of \$416,511.

The addition to the company's assets is