

**THIRTY-FIFTH ANNUAL REPORT
OF THE DIRECTORS OF THE
WESTERN CANADA
LOAN AND SAVINGS CO.**

The 35th annual general meeting of the shareholders of the Western Canada Loan & Savings Company was held on Monday, the 21st of February, 1898, at 11 o'clock a.m., at the Company's offices, Toronto.

The Directors have pleasure in presenting to the shareholders the 35th annual report.

After deducting cost of management, interest on debentures and all other charges, the net profits of the Company amount to \$106,462.09. Out of this sum two half-yearly dividends, at the rate of 6 per cent. per annum, have been paid and the balance \$14,120.47, carried to the contingent account.

The repayments of principal and interest falling due during the year have been most satisfactory, amounting in actual cash to \$436,678 on account of principal money and \$65,265 on account of interest.

The money entrusted to the Company for investment is \$4,433,928.53 as against \$4,441,961.81 last year. The Canadian debentures have been increased by \$115,600. The sterling debentures have been decreased by \$27,485, and the deposits have been reduced by \$97,758.

A large number of sterling bonds became due during the year, and, with the exception of the above mentioned amount, all have been renewed or replaced with money at 3 1/2 per cent. per annum.

The Directors are gratified to note that so much of the deposit money is being replaced by Canadian debentures. The saving on interest paid on borrowed money this year and in the expenses of management has been very considerable.

In view of the possibly unfavorable effect which the late failure of one of our loan companies may have upon the general credit of Canadian securities in the British market, the Directors have lately had some correspondence with our excellent debenture agents in Scotland in reference to the best means of strengthening the confidence of the investors in the bond of this Company, and considering the large amount of money borrowed in Great Britain, it has been agreed that it would tend to the ultimate advantage of the Company if its affairs could be periodically reported upon by a representative from Great Britain. We have, therefore, arranged that a representative of the firm of Messrs. Lindsay, Jamieson & Halden, of Edinburgh, should make a report on the position of the Company as at the present time, and a member of that firm will shortly visit Canada with a view of making such report to the British debenture holders.

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

FINANCIAL STATEMENT.

LIABILITIES.	
To Shareholders	
Capital stock	\$1,500,000 00
Reserve fund	770,000 00
Contingent acc't,	
Dec. 31, 1896	\$59,679.93
Contingent account,	
added, 1897	14,120.17
	\$73,800.10
Contingent account,	
written off, 97	56,175.30
Contingent account, balance,	
Dec. 31 1897	17,625.10
Dividend, payable 2nd Jan.	
1898	45,000 00
To the Public	
Currency debentures and interest	795,547.24
Sterling debentures and interest	2,915,691.66
Deposits	782,437.63
Sundry accounts, including coupons outstanding	692.74
	\$6,797,246.37
Mortgage loans	\$6,344,838.32
Office premises and furniture, Toronto and Winnipeg	129,847.83

Cash on hand, Toronto and Winnipeg	1,122 11
Cash in banks	292,938 41
	\$6,767,246 37

PROFIT AND LOSS ACCOUNT.

Cost of management, viz., salaries, rent, inspection and valuation, office expenses, branch office, agents' commissions, auditors, fees, etc.	\$ 46,001 57
Directors' compensation	3,720 00
Interest on deposits	26,371 78
Interest on debentures	140,315 95
Net profit for year, applied as follows:—	
Dividends and tax thereon	92,281 62
Carried to contingent account	14,120 47
	\$322,811 34
Interest on mortgages and debentures, rents, etc.	\$322,811 34
	\$322,811 34

WALTER S. LEE,

Managing Director.

Toronto, 10th February, 1898.

To the shareholders of the Western Canada Loan & Savings Company:—

We beg to report that we have completed the audit of the books of the Western Canada Loan & Savings Company, and a detailed inspection of the securities (with the exception of the business of the Manitoba branch, which has been audited and inspected by the local Auditor), and certify that the above statements of assets and liabilities and profit and loss are correct and show the true position of the company's affairs. The bank balances and cash are certified correct.

W. R. HARRIS,
A. E. OSLER,

The President and Shareholders of the Western Canada Loan & Savings Company, Toronto:

In view of the current comments through the press and otherwise upon the duties of auditors of loan companies and the work performed by them, we deem it advisable to lay before you in detail as fully as possible the method adopted and the work performed by us in connection with the audit of the books of your company, and would ask for suggestions from you, if in your opinion further scrutiny be necessary. Authority for making all loans is required either by the production of the minutes of the board authorizing same, or the authority of the President or Vice President, indicated on the application form. Vouchers for payments of amounts charged to mortgage accounts and for payments of insurance premiums, taxes, etc., are seen and stamped by us. Before the annual statement is prepared each individual mortgage, bond or other security is seen by us and compared with the amount at which it is taken as an asset, and initialed. Vouchers for all moneys disbursed are examined and stamped by you. All coupons for payment of interest are seen and stamped as are all bonds paid or replaced by renewals. Totals of cash receipts and disbursements, as shown by cash book, are checked and balance on hand verified. The posting of entries of all kinds from the cash books and journals to the ledgers are called over and checked by us. At the end of each year the balances of all ledgers are brought forward and compared. The figures composing the annual statement are prepared from the general ledger and subsidiary books are fully gone into, and balance in banks and cash on hand verified. Yours faithfully,

W. R. HARRIS,
A. E. OSLER,

Auditors.

SPIERING QUARTETTE CONCERT.

The Toronto Chamber Music Association have engaged this excellent organization for the second concert of the season which takes place on Saturday evening March 5th at 8 o'clock in Association Hall. The above Association has already won the good opinion of The Musical Cult. And indeed of the citizens of Toronto generally. In that they have been instrumental in bringing the very best chamber music organizations on this Continent to our City. The Spiering is the finest string quartette in the West, and will present a fine programme on

this the occasion of their first visit to Toronto. Mr. Spiering the leader is a fine violinist and will be heard in a solo by Viextemp Miss Grace Buck the vocalist who is to appear at this concert is also from Chicago, and is pronounced to be one of the most delightful singers upon the concert stage. In addition to which Miss Buck has the charm of great personal beauty. Plan is now open at Nordheimers.

THE PRACTICAL RESULTS

Realized from a judicious, safe and legitimate investment are very strikingly illustrated by the following letter of acknowledgment from one of the early policy holders in the North American Life Assurance Company, showing the good judgment he exercised in selecting the investment plan of insurance:—

The Muskoka & Georgian Bay Navigation Co., of Gravenhurst, Ont.

Wm. McCabe, Esq., Managing Director, North American Life Assurance Co., Toronto, Canada:

Dear Sir,—Please accept my thanks for your check just handed to me for \$3,901.98 in settlement of my \$2,500 fifteen-year endowment policy in your company. Such a result as this, after the risk of my life has been carried for fifteen years, beginning from 45 years of age, argues one thing strongly, namely, that the management of the North American Life must be in competent hands. The other options you have offered me, namely, a paid-up life policy for \$5,512, or a life annuity for \$401.10 are, I presume, equally liberal, and it affords me much pleasure to recommend your company to my friends or anyone desiring insurance.

Yours truly,

Toronto. A. P. Cockburn.

Information respecting the Company's attractive and remunerative plans of investment insurance, and copies of its last annual report, showing its unexcelled financial position, will be furnished on application to the head office, 112 to 118 King street west, Toronto, or to any of the Company's agents.

A PRECIOUS BIT OF SHAMROCK.

H. Phelps Whitmarsh writes in the "Century" for February of "The Steerage of To-day," his article being illustrated by Andre Castaigne.

Kneeling in an upper bunk near me, a middle aged Irishman was hanging a pot containing a shamrock plant. I entered into conversation with him, and learned that he was going to join his son in California, to whom he was taking the shamrock as a present.

"I hope it will live," he said, looking wistfully at the pot as it swung from the beam. "'Twas the wan thing the bhoys wanted. 'Lave iv'ryting,' says he in his letter, 'an' come over. I have enough for the both of us now,' says he; 'an' I can make you comfortable for the rest av your days. But,' says he, 'fetch me a livin' root av shamrock if ye can.'"

All Sunday we were in smooth water, running under the lee of the Irish coast. The day being fine and warm, the steerage swarmed on deck in full force. Men, women and children all crowded about the after hatch, some playing cards, some dancing, and some already making love; but for the most part they lay about the deck, sleeping and basking in the sun. In the afternoon my friend the Irishman appeared with his shamrock. He wanted to give it a "taste" of fresh air, he said. At sight of it many of the Irish girls shed tears; then, seating themselves about the old man, they sang plaintive Irish melodies until the sun went down.