

REPORT.

The directors of the Guelph and Ontario Investment and Savings Society present to the shareholders their report for the year ended December 31st, 1900.

After paying all costs of management, municipal tax on dividends, interest on deposits and debentures, etc., etc., the net profits—including \$14,272.52, less \$2,785.18, deducted therefrom to cover losses on property, making the balance carried forward from last year \$11,487.34, and also including \$5,129.50, obtained from premium on stock—amount to \$54,751.09. This sum has been appropriated, as follows:

Dividend No. 48, payable 2nd July, 1900, 8 per cent. per annum \$16,960 00

Dividend No. 49, paid 2nd January, 1901, 8 per cent. per annum 17,206 20

Carried to reserve fund (including \$5,129.50, premium on stock) 8,000 00

Carried to contingent fund... 12,584 89

The reserve fund now amounts to \$173,000, the contingent fund, \$12,584.89, and the total assets of the society are \$1,789,995.12.

During the year, applications for loans amounting to \$651,173.82 were received, and from these investments to the amount of \$283,226.82 were selected and granted, and \$367,947 declined.

The value of real estate held by the society for sale is \$12,954.69. This sum includes all properties remaining unsold which have come into possession of the society by foreclosure, failure to obtain purchasers under power of sale or otherwise. The directors have felt warranted in adding \$8,000 to the reserve, making that fund \$173,000, and contingent fund, \$12,584.89.

The plan adopted by us of having our mortgages provide for small annual repayments on principal has resulted in more prompt payment of both principal and interest, and has largely tended to improve the security of the company, at the same time lessening the indebtedness of the borrower.

The board have carried out the proposal approved of at the last annual meeting, and now have pleasure in meeting our shareholders in our own building. The accommodation for our business is now ample for many years to come; the vaults are sufficiently large, and, being of modern construction, afford absolute security.

Since we last met, we lost by death a much valued and respected member of the board, Mr. James P. Phin. Mr. Phin had been a director almost from the inception of the company, and had endeared himself to all by his gentle, unassuming manner, his honesty of purpose, and sound judgment. He will be much missed by his colleagues at the board.

The officers of the society continue to discharge their duties to the satisfaction of the board.

As usual, the books and accounts have been carefully examined every month, and the auditors' report is presented herewith.

All of which is respectfully submitted.
A. B. PETRIE,
President.

FINANCIAL STATEMENT FOR THE YEAR ENDING DEC. 31ST, 1900.

PROFIT AND LOSS.

Dr.

Dividend No. 48 \$16,960 00
Dividend No. 49 17,206 20
Interest on deposits 16,732 15
Interest on debentures 21,638 74
Commissions 1,448 84
Cost of management, including directors' fees, auditors' salaries, and inspector's salary.. 10,543 69

Municipal, income and provincial taxes 811 77
Carried to reserve fund 8,000 00
Carried to contingent fund 12,584 89
\$105,926 28

Cr.

Balance brought forward \$14,272 52
Less amount written off 2,785 18
Earnings on investments \$11,487 34
Office premises revenue 88,407 62
Interest on bank deposits 42 26
Premium on stock 859 56
5,129 50
\$105,926 28

ASSETS AND LIABILITIES.

The assets are as follows:

Cash value of mortgages and other securities \$1,745,220 82
Cash in Dominion Bank 21,040 59
Office premises.. 23,733 71
\$1,789,995 12

The liabilities are as follows:

Savings bank deposits \$559,910 30
Interest on savings bank deposits ... 8,279 75
Debentures 565,221 13
Interest on debentures 9,792 85
\$1,143,204 03

Surplus assets \$ 646,791 09

The surplus assets are composed of:

Fixed and permanent stock subscribed, \$820,000, on which has been paid ... \$444,000 00.
Dividend payable 2nd January, 1901 17,206 20
Reserve fund 173,000 00
Contingent fund 12,584 89
\$646,791 09

J. E. McELDERRY,

Secretary.

We have audited the books and vouchers of The Guelph and Ontario Investment and Savings Society, monthly, during 1900, and have found them correct. We have also examined the mortgages, and calculated the value and earnings of each one separately, checked the savings bank balances, proved the bank balances, and certify that the foregoing balance sheet is a correct statement of the society's affairs to 31st December, 1900.

A. J. BREWSTER,

J. W. KILGOUR,

Auditors.

Guelph, February 1st, 1901.

In moving the adoption of the report, the president expressed the pleasure the board felt in being able to report another very good year, there being an improvement in the position of the company in every branch of its business.

Continuing, he said: The company has made good progress since its organization twenty-five years ago, and now the total assets are, in round numbers, \$1,800,000 and no doubt they will soon reach the handsome total of two millions. Certainly much greater success has attended our company than the most sanguine of those who founded it in 1876 ever anticipated, and we may be pardoned if we express our satisfaction at the end of the first quarter of a century.

A further issue of \$100,000 stock, necessitated by the increased business, was allotted to shareholders at a premium of 25 per cent., on which was paid \$20,000 and the premium. To the premium obtained on this issue there was added from the ordinary profits, a sum to increase the reserve fund by \$8,000, making that fund \$173,000, or nearly forty per cent. of the paid-up capital.

We have now very little property on hand, and a contingent fund of far more than will be required to provide for any possible loss in disposing of it; but the board thought it better to leave that fund as it is for the present, as it might be desirable next year to make a reduction in the amount at present to the credit of office building.

The usual examination has been made of the securities held by the company, which were found very satisfactory indeed. The margin over what we have loaned has been increased by repayments on principal, and in addition the value of property has advanced from ten to twenty per cent.

It is certainly a great pleasure to us to meet for the first time in our own handsome and commodious office building. The arrangement for business is convenient, the vault accommodation is ample to safeguard against fire the large volume of valuable papers held for our customers, and I am sure you will agree with us that the money has been judiciously expended in securing a permanent home for the society.

We all regret the loss by death of Mr. James P. Phin, a valued member of the board for twenty-four years. His active assistance and sound judgment very materially helped to place the society in the splendid position that it occupies today. Those who have been his associates on the board feel that they have lost a much valued friend.

Mr. Melvin, vice-president, seconded the adoption of the report, which he thought was a most satisfactory one. He referred to the careful examination of the securities made regularly by the board, and which revealed the very substantial character of the assets. The utmost care was taken, in investing the company's funds, to select only such loans as would prove active, interest paying investments, and with an ample margin of value. In loaning only on mortgages of real estate and accepting only such gilt-edged securities, the rate of interest obtained was necessarily moderate, and while the earnings of the company might be somewhat lessened if the value of money should not increase the aim of the board was to make the company's stock a safe, permanent investment, and not a speculative one, in which course he believed the shareholders would heartily concur. He was very much pleased with the steady progress being made, and had no doubt whatever that we would still continue to enjoy the same relative degree of prosperity in the future as we had met with in the past.

Messrs. George D. Forbes, John M. Bond, James Innes, Hugh Black, Rev. Robert Torrance, D.D., Rev. James Harris, and others, addressed the meeting, expressing their appreciation of the very satisfactory results of the year's transactions, as shown by the report.

The election of directors was then proceeded with, Messrs. W. A. McLean and J. F. Kilgour acting as scrutineers. The following were declared duly elected: Messrs. A. B. Petrie, Robert Melvin, David Stirton, John Phin, George D. Forbes, H. Howitt, M.D.; John M. Bond, James Innes, ex-M.P.; Charles E. Howitt.

A vote of thanks was tendered the scrutineers for their services.

Messrs. A. J. Brewster and J. W. Kilgour were reappointed auditors for the current year.

A vote of thanks was tendered to the president, vice-president, directors, manager, and other officers of the society for their services.

At a subsequent meeting of the board, Mr. A. B. Petrie was re-elected president, and Mr. Robert Melvin, vice-president.