

LONDON AND ONTARIO INVESTMENT COMPANY, LTD.

The twenty-second general meeting of the shareholders of the company was held on Thursday, the 9th day of February, 1899, at the office of the company, 17 Melinda street, Toronto. The vice-president, W. H. Beatty, Esq., acting as chairman in the absence, on account of illness, of the president, Sir Frank Smith. The following shareholders were present: Messrs. W. H. Beatty, A. B. Lee, Henry Gooderham, W. B. Hamilton, Alex. Nairn, Fred'k. Wyld, John F. Taylor, E. M. Chadwick, J. T. M. Burnside, J. F. Michie, J. H. Taylor, Rev. P. D. Will and others.

After appointing a secretary, reading the notice convening the meeting, dealing with the minutes of the last general meeting of shareholders, the following report, accounts and auditors' certificate were submitted:

REPORT.

In submitting to the shareholders the statements of account for the six months ending 31st December, 1898, the directors have little to add to their former report, which was presented so recently as the month of September last. It will be remembered that it was found advisable, in view of certain provisions of the Loan Companies Act of Ontario, to change the date of closing the books from the end of June to the end of December in each year, which involved a corresponding alteration in the time of holding the annual meeting of the company. A by-law was accordingly enacted by the shareholders, authorizing the change, and in pursuance thereof, the present report and statements of account for a period of six months only, are now presented.

The net profits during the period in question amount to \$21,284.49, out of which there has been paid the usual half-yearly dividend at the rate of 6 per cent. per annum, amounting to \$16,500, leaving a surplus of \$4,784.49, which has been carried to property suspense account, leaving the fund now standing at \$57,046.87, the company's reserve still remaining at \$100,000.

The business for the period under review has been of a satisfactory character; the rate of interest in Ontario, however, continued to be such as to afford little encouragement to increase the investments, and on the other hand the repayments by mortgage borrowers exceeded in amount the new loans granted. In the province of Manitoba, money has been in good demand, and the interest rates there having continued favorable, the company's investments have been increased. The net result during the past six months is a reduction in the total amount of the mortgage loans.

The continued improvement in business and trade conditions generally, is reflected in the real estate market, and has aided the company in disposing of properties held for sale.

It is well-known that the London and Ontario Company is one of the four companies proposing to form a union for the more effective conduct of their separate interests under one management. At present it can only be said that committees representing the several companies are holding meetings with the object of arriving at a satisfactory basis of union, and arranging such details as may require to be settled before submitting a scheme to the shareholders.

The usual inspection of property under mortgage has been maintained, and the books of the company have been audited, as will be seen from the accompanying certificate signed by the auditors.

All of which is respectfully submitted.

FRANK SMITH,
President.

PROFIT AND LOSS ACCOUNT.

Receipts.

Interest received and accrued on mortgage loans and debentures \$74,842 99

Expenditures.

Expenses of management, audit and salaries	\$ 5,156 98
Office expenses, rent, postage, etc	2,375 80
Inspection charges.....	1,194 21
Manitoba expenses.....	2,945 23
Debenture expenses....	283 46
Commissions paid:	
On loans, \$597.30; on bonds, \$387.38	984 68
Interest on bonds, paid and accrued....	40,618 14
	\$53,558 50
Net revenue (\$21,284.49), appropriated as follows:	
Dividend No. 41 at 6 p.c. per annum.....	\$16,500 00
Carried to property suspense account....	4,784 49
	\$21,284 49
	\$74,842 99

GENERAL BALANCE SHEET.

Assets.

By Investments:	
Mortgage loans. \$2,605,261 97	
Municipal debentures	79,126 06
	\$2,684,388 03
Sundry accounts due to the company	10,222 80
Office furniture and fixtures..	800 00
Cash on hand and in banks..	21,091 06
	\$2,716,501 89

Liabilities.

To Shareholders:	
Capital stock	\$ 550,000 00
Reserve account	100,000 00
Dividend No. 41, due 2nd January, 1899	16,500 00
Property suspense account...	57,046 87
To Debenture Holders:	
Outstanding sterling and currency debentures, payable on fixed dates (deposits payable on demand not accepted)...	\$1,976,125 73
Reserved for interest accrued..	16,176 89
	\$1,992,302 62
Sundry accounts due by Co'y....	652 40
	\$2,716,501 89

AUDITORS' REPORT.

We beg to report the completion of the audit of the books, accounts and vouchers of the London and Ontario Investment Company, Limited, for the year ending December 31st, 1898. The mortgages, debentures and other securities have been inspected in detail, and the accounts correspond with the totals as set forth in the ledger. The accompanying statement of assets and liabilities, receipts and expenditures, are hereby certified as correct. We also verify the balance of cash in the banks.

Yours respectfully,

W. R. HARRIS,
THOS. HODGETTS,

Auditors.

The vice-president moved, seconded by W. B. Hamilton, Esq., that the report and accounts for the past six months ending December 31st, 1898, be adopted by this meeting. Carried.

The following resolutions were then presented in the order given below and adopted:—

Moved by the Rev. P. D. Will, seconded by John H. Taylor, Esq., and resolved. That the thanks of the shareholders are hereby tendered to the president, vice-president and directors for their personal attention to the business of the company during the past six months, and that in recognition thereof, the sum of \$600 be awarded them.

Moved by A. B. Lee, Esq., seconded by Henry Gooderham, Esq., and resolved. That the sum of \$200 be appropriated for the services rendered during the past six months by the auditors, and that Messrs. W. R. Harris and Thomas Hodgetts be reappointed for the current year, and in case of the death or resignation of either or both of them, the board be, and are hereby empowered to appoint others in their places.

Moved by J. F. Michie, Esq., seconded by Alex. Nairn, Esq., and resolved. That the poll be now opened for the election of directors, and that the same be closed whenever one minute shall have elapsed without a vote being tendered, and that Messrs. E. M. Chadwick and J. T. M. Burnside be the scrutineers, that they report the result of the election to the meeting, and be paid the sum of \$5 each for their services.

The ballot for directors to act for the ensuing year was then taken, and the following gentlemen were unanimously elected: Hon. Sir Frank Smith, Messrs. W. H. Beatty, Wm. Ramsay, W. B. Hamilton, A. B. Lee, Alex. Nairn, Fred. Wyld, Henry Gooderham and John F. Taylor.

The meeting then adjourned.

At a meeting of the new board, held at the close of the shareholders' meeting, the Hon. Sir Frank Smith was elected president, and W. H. Beatty, Esq., vice-president for the ensuing year.

SECRET COMMISSIONS IN TRADE.

The "Times" has revived the question of secret commissions in trade, and a correspondent has been allowed to denounce the practice to the length of nearly a column. The subject is certainly one of deep and far-reaching importance, and cannot be at all adequately dealt with in a note. But we may here refer to one allegation of the correspondent in question, and invite to it the special attention of the mercantile community. He thinks that business men are far too tolerant in their views regarding the giving and taking of secret commissions. The extent to which the practice prevails and its deteriorating effect upon commercial honesty, he says, is probably most clearly shown in the cases which come for trial before juries and in the view which many of the jury take of the practice. It is not the common jury alone which is to blame. "The special jury, which is supposed to represent the honor and honesty of English commerce, is not less indifferent, and too often listens to evidence of secret commissions and corrupt bargains with apparent toleration." The meaning of this is that corrupt bargaining is so common in business circles that it has come to be regarded as a mere minor peccadillo, the chief evil of which is being found out. This is a very serious allegation, and we shall be curious to learn what dry goods men think of it. For our part, we cannot believe that the case is nearly as bad as represented.—Draper's Record, London.

—Mr. D. Pottinger, General Manager of the Intercolonial Railway, recently stated that the business of the road this year is much larger than last. "We have," he said, "just purchased twenty new freight locomotives from the Baldwin Locomotive Works, and have ordered five from the Canadian Locomotive and Engine Company, at Kingston. We have several hundred freight cars under construction, some of them at the works of Messrs. J. Crossen & Co., Cobourg; some at the works of the Rathbun Co., Deser Rhodes, Curry & Co., Amherst, Nova Scotia."