Contingent account	2,588 00
Dividend No. 68 (payable 3rd January, 1899)	6,990 45
	$2,172,427 76

Assets.

Mortgages on real estate, etc	$2,084,889 85
Real estate, company's premises, Toronto street	66,470 46
Office furniture and fixtures..	200 00
Cash in Standard Bank	20,546 91
Cash in National Bank of Scotland, Ltd.	241 99
Cash in office	78 55
	$2,172,427 76

PROFIT AND LOSS.

Dr.—

To Dividend No. 67..$13,890 10		
Dividend No. 68 .... 6,990 45		
		$20,880 55
Municipal tax thereon		708 05
Government registration fee		180 00
Interest on debentures and deposits..		57,409 00
Commission and charges on money borrowed and loaned and inspection charges		3,721 45
Expense of Management—		
Salaries and office expenses	5,677 37	
Directors' compensation	1,400 00	
Auditors and scrutineers	510 00	
Advertising, stationery, etc.	705 70	
		8,293 07
Contingent acct.		2,588 00
		$93,780 12

Cr.—

By contingent account from last year ....$	1,316 71
Interest on investments	92,463 41
	$93,780 12

JAMES C. MCGEE,
Manager.

We, the undersigned, have audited the books of the Union Loan and Savings Company for the year ending 31st Dec., 1898, and find them in conformity with the above statement, and have checked the vouchers and mortgage registers, and found them correct.

JAMES CARLYLE,
E. B. FREELAND,
Auditors.

The president, in moving the adoption of the report, said: "Permit me to call your attention to some matters referred to therein. You will observe that the earnings of the company for the year amount to $92,463.41, out of which interest on debentures and deposits, two half-yearly dividends of 3 per cent. for the year, and all other charges have been paid, and a balance of $2,588 carried forward to the credit of contingent account.

"The reduction of dividend has no doubt been a disappointment to our stockholders, but I believe the action of your directors (some of whom are our largest shareholders), in paying only such dividends as the company actually earned will meet with the approval of all our shareholders.

"The payments from borrowers and the collections have been very satisfactory.

"A large amount of Sterling debentures matured last year, and it is satisfactory to know that your directors were able to secure renewals and new money to a large extent.

"The liability of the company to the public on debentures and deposits has been reduced during the year by $152,088.

"Last year's reserve fund stood at $200,000. After careful consideration it was decided to write this down to $100,000. This enables your directors to write off some unrealizable assets, and losses on properties sold during the year. The balance has been carried to a suspense account, and it will be used as losses are ascertained.

"Your directors are making every effort to dispose of the company's properties. During the year a number of sales were made. With the decided improvement in, and demand for city property, it is hoped a larger number of sales will be made this year, and at better prices.

"I think the shareholders will be pleased to learn that the amount of unproductive property does not exceed $60,000.

"For the past two years Canada has experienced a period of increasing prosperity. The harvest for the year was a most bountiful one. All engaged in commerce and manufacturing, report a satisfactory volume of business.

"The City of Toronto has been greatly benefited by the general improvement, and the demand for house property is greater than for years past. The new buildings erected in 1898 exceed in value those erected in 1897, by nearly one million dollars.

"You will observe that a considerable saving has been effected in the office expenses of the company, without in any way impairing the efficiency of the service, and every effort is being made to effect a further reduction.

"The directors have devoted a very large amount of their time and attention to the company's affairs, and are doing everything in their power to protect the interests of the shareholders and debenture-holders.

"A vote of thanks will be placed in your hands to our Edinburgh agent, W. C. McEwen, Esq., W.S., and I wish to state that this is not merely a complimentary vote. He deserves our best thanks for the time and attention he has given to the company's interests. He is well and favorably known in Scotland, and it is through his personal efforts that so much debenture money has been secured.

"It will no doubt be satisfactory to the shareholders to know that the audit has been most thorough and complete.

"An amendment to the company's by-laws, passed by the directors (in order to rectify a clerical omission), will be submitted for your approval."

The vice-president, Mr. Wellington Francis, seconded the motion, which was carried unanimously.

Mr. J. E. Hansford called attention to the large reduction effected in the expenses of management, which he felt sure was conducted in a very efficient manner.

The Rev. Robert C. Moffat, D.D., and Rev. J. H. Starr and several other shareholders expressed themselves in terms similar to the above, and the following resolutions were passed unanimously:

"That the report of directors, and statement of accounts, submitted to this meeting, be received and adopted."

"That the thanks of this meeting be given to the company's resident director in Edinburgh, W. C. McEwen, Esq., W.S., for his valuable services in connection with the company's debenture business for the past year; as also to his firm, Messrs. J. and A. F. Adam, for the cordial co-operation and assistance rendered by them in this connection.

"That the thanks of the meeting be given to the directors, auditors, and officers of the company, for the satisfactory manner in which they have discharged their respective duties."

"That Rev. Dr. Moffat and Mr. Alexander Smith be, and they are appointed scrutineers for the purpose of determining the vote for the election of directors for the current year."

"That the by-law, passed by the directors on the 7th day of June last—No. 7 A.—as follows: 'Shareholders shall receive Dividends half-yearly upon their Paid-Up-Stock, as may from time to time be declared by the Directors,' be, and the same is hereby approved, ratified, and confirmed."

"That Mr. E. R. C. Clarkson, of the firm of Clarkson & Cross, Chartered Accountants, and Mr. E. B. Freeland, be, and they are hereby appointed, auditors for the current year; their compensation to be fixed by the directors."

The scrutineers reported the following gentlemen elected directors of the company: John Stark, Wellington Francis, W. B. Geikie, M.D.; W. C. McEwen, W.S.; W. N. Eastwood, H. B. Yates, M.D., and Thomas Gilmour.

At a subsequent meeting of the board, John Stark, Esq., was re-elected president and Wellington Francis, Esq., vice-president for the current year.

JAMES C. MCGEE,
Manager.

February 8th, 1899.

STOCKS IN MONTREAL.

MONTREAL, 8th Feb., 1899.

Stocks.	Highest.	Lowest.	Total.	Closing Prices. Sellers.	Closing Prices. Buyers.	Average, same date 1898.
Montreal	251	251	4	260	251	239
Ontario	118	118	2	....	121⅛	....
Molsons	....	....	....	203	200	....
Toronto	....	....	....	260	245	....
Jac. Cartier ...	....	....	....	112½	110	....
Merchants	182½	180	34	183	180½	179¼
Commerce	150	150	50	155	150⅛	137⅛
Union	119	118	2	....	120	....
M. Telegraph ...	176½	175	40	180	175½	180
R. & O. Nav. ...	107½	106	960	106¾	105	110
Street Ry.	292½	292	753	295	293	249
do. New ..	293¼	290	430	291⅝	291½	245⅜
Gas	213	211¾	975	215	213½	196¼
C.P.R.	86¾	85⅞	3670	86	85⅞	88¾
Land Grant bds.	....	....	....	... ...	110	110
N. W. Land	55	55	11	....	....	....
Bell Tele.	173⅛	172⅞	18	173¾	172¾	175
Mont. 4% stock	....	....	....	....	....	....

—This is from The New Denver Ledge: "The Moyie Leader reaches this office about three weeks after the date of publication. Moyie is distant from Nelson 125 miles by rail and boat. The mails, however, are carried 450 miles, first by team, then by rail, again by team, then again by rail, then by boat, still again by rail, once again by boat, then still again by train, and again by rail and still again by boat." If this does not turn Mr. Mulock's head, we hope it will turn his attention to the great need of postal reforms and postal enterprise in Southern British Columbia.

GETTING UPON A CASH BASIS.

A subscriber in a small town of New York State writes to ask the advice of the Dry Goods Economist as to trying cash trade. These are the circumstances, as set out by himself: "I am in a town of 6,000 people, with six other small stores. There are eight mills which pay off weekly. I have been doing a credit and cash business for over twenty-five years, with a good deal of worry in regard to my credit customers. I do a business of $50,000 a year, one-third credit, and carry a book account of $4,000, almost all collectible, perhaps about 10 per cent. bad. I have a great many orders come in from the mills that are good. I want to try and do a strictly cash business. What do you think of it? I carry a stock of $15,000 and owe about $5,000."

The Economist invariably advocates the change from credit to cash, knowing of no case in which those who have made the alteration have not been well satisfied with the results. Our subscriber's business seems to be in a satisfactory condition. We should say that he would have no difficulty in getting on to a cash basis, the bulk of his trade being apparently working people. These seldom object to paying cash. It is your wealthy customer who takes offense at being refused credit.