

## REPORT OF THE DIRECTORS

OF THE

# Canada Permanent Loan & Savings Company

FOR THE YEAR 1879.

The Twenty-fifth year of the Company's history having terminated, it becomes the duty of the Directors to lay before their fellow Shareholders a report of the business done and of the present condition of the Company. These will be found clearly set forth in the accompanying duly audited Statements, and afford evidence of continued progress and increased strength which cannot fail to be satisfactory.

The total amount of Mortgage Investments held at the close of the year was \$6,405,473, being an increase of \$189,167 on the same account at the previous year. The repayments from borrowers have on the whole been satisfactory. In the small percentage of cases where it became necessary to bring to sale the property Mortgaged, it was sometimes found extremely difficult to find purchasers even at prices much more favourable to the buyer than were readily obtainable a few years ago. Any properties not sold have been estimated at their present depreciated value, though with the return of prosperity and an improved demand, more may in some cases be realized. The advantage of having an ample Contingent Fund to guard against the results of possible errors in valuation, and of the temporary extremes of inflation and depression to which Real Estate is liable, was never more clearly illustrated than at the present time.

The Savings Branch continues to furnish a desideratum to those who seek a permanently safe repository for their funds. The number of depositors and the amount held remain about the same as at the date of the previous report.

Last year the first considerable amount of the Company's Sterling Debentures became payable. With the exception of \$26,253, they were all renewed on terms more advantageous to the Company than the original issue, while new Debentures to the amount of \$285,539 were applied for and placed on similarly favourable terms.

Notwithstanding the ever increasing competition among lenders and their numerous agents throughout Ontario, referred to in last report, the funds of the Company have been kept fully employed throughout the year.

The customary ratio of profit has been earned. After providing for interest due to Bondholders and Depositors, as well as all expenses and charges on the business, and after writing off all anticipated as well as known losses, and making provision for future contingencies, the Directors have been enabled to pay two half-yearly Dividends of six per cent. each on the Capital Stock, and to add to the Reserved Fund or Rest the sum of Fifty Thousand Dollars. The Reserved Fund now, therefore, stands at \$900,000, and the Contingent Fund at \$68,247.

In surrendering their trust at the close of the last year of the Company's first quarter of a century, the Board cannot refrain from taking a brief retrospective glance back to the origin of the Association. The view presented is one on which the Shareholders may well be congratulated. So continuous a record of steady progress, uninterrupted success, large volume of business transacted with the minimum of loss or anxiety, in what was then a comparatively new and much disparaged mode of investment, taken together with the Dividends paid and present position of the Company, is believed to be without parallel in the history of Canadian Finance, and could scarcely have been anticipated by the most sanguine of those who planned and laid the foundations of the Institution.

All which is respectfully submitted.

J. HERBERT MASON,

Manager.

JOSEPH D. RIDOUT,

President.