

year's business, and of the financial position of the company.

"Having regard to the decline in the rate of interest, the large amount of money seeking investment, the consequently keen competition, and the difficulty in securing thoroughly good mortgage loans on as favorable terms as in former years, it could not be a matter of surprise if the volume of business, during the year which has just closed, should suffer some diminution.

"I am glad, however, to say that, thanks to the energy and zeal of our inspectors and agents, we have been able to secure such an amount of excellent loans, at fair rates of interest, as have enabled us upon the whole to keep the funds of the company safely and profitably invested.

"In regard to the distribution of our investments I may mention that we have about an equal amount in mortgage loans on farm property in Ontario and Manitoba, while in the city of Toronto we have been gradually reducing the number of our loans, until they amount to only about one-fifth of our total investments, and these are all secured on properties in the central and business parts of the city.

"The repayments on our loans during the year have been extremely satisfactory, and in this connection I may specially mention Manitoba, where the magnificent crop of 1895 has not only enabled the farmers to reduce their liabilities, but has even lessened to some extent the demand for money in that province.

"The directors have been fully alive to the necessity for continued care and watchfulness, which the depreciation in the value of real estate requires them to exercise in the selection of their loans, and they have also not hesitated to provide for all ascertained losses by charging them to the contingent fund, as may be seen by a reference to the balance sheet now in your hands.

"In regard to the borrowed money of the company the statement shows that the total amount in debentures and on deposit taken together is less than in 1894. The sterling debentures, however, are some \$91,000 in excess of last year, while the currency bonds are of the same amount. The reduction is in the amount of money held on deposit, which is \$100,754.62 less than in 1894.

"The directors have for some time past considered it desirable to reduce the amount on deposit in their savings bank branch, and notified their depositors accordingly. A very considerable amount of the money withdrawn in consequence has been re-invested in currency bonds, which are rapidly becoming a very popular form of investment among all classes of the community.

"In looking forward to the future there is no doubt that the superabundance of money seeking investment, the lower rates of interest and the keen competition for business, render it increasingly difficult to secure as profitable returns as hitherto, nevertheless the directors see no reason whatever to doubt that, with their thoroughly-organized and excellent staff of experienced and energetic agents in Ontario and Manitoba, the company will always command a large and profitable share of business in both Provinces.

"Having regard, also, to the exceedingly favorable terms upon which the borrowed money of the company is now obtainable, both in Great Britain and Canada, thus meeting to a very considerable extent the lower rates of interest on money lent, the directors look forward with confidence to the Western Canada continuing to offer to its shareholders a thoroughly safe and profitable medium for the investment of their money, and believe that the company will continue to maintain the same high and stable position which it has hitherto held among the financial institutions of the country.

"I cannot close these brief remarks without again acknowledging the services of our excellent agents in Great Britain, Messrs. Bell, Cowan & Co., of Edinburgh, in the management of our debenture business, and our constant indebtedness to them for many valuable suggestions in connection therewith.

"I desire to bear testimony to the strong sense which the directors entertain of the ability and caution with which our managing director continues to discharge his most responsible duties, and to express also our sense of the valuable services of the manager at our Winnipeg office. It is pleasant also to be able to speak in equally commendatory terms of all the members of our office staff. In this con-

nection, however, I have, with great regret, to mention the death of Mr. F. J. Menet, one of our auditors for the last twenty-two years, which took place since our last meeting. The board appointed Mr. A. Wickson, of Winnipeg, in his place."

Scrutineers having been appointed, a ballot was taken, and the retiring directors, the Hon. George W. Allan, the Hon. Sir David Macpherson, K.C.M.G., and Thos. H. Lee, Esq., were re-elected. These gentlemen, with George Gooderham, Esq., Alfred Gooderham, Esq., George W. Lewis, Esq., and Walter S. Lee, Esq., form the board.

At a subsequent meeting held by the directors, the Hon. Geo. W. Allan and George Gooderham, Esq., were re-elected president and vice-president respectively.

#### BUILDING AND LOAN ASSOCIATION,

The annual general meeting of the Building and Loan Association was held at its offices, No. 13 Toronto street, Toronto, at 2.30 p.m., on Tuesday, the 11th day of February, 1896, the president, Larratt W. Smith, Q.C., D.C.L., in the chair.

There were present: D. A. Milne, George Gamble, Robert Jenkins, Wm. Mortimer Clark, W.S., H. Schmidt, Price Jackes, C. S. Gzowski, Jr., George Murray, R. L. Benson, George W. Jackes, M.D., Alexander Smith, Joseph Jackes, Allan Cassels, C. C. Baines, H. W. Eddis, Alexander Macdonell, William Wilson, R. H. Temple, A. V. Delaporte, Edward R. Greig, G. R. Proctor and others.

The report and financial statement were read. The report is as under:—

#### REPORT.

The directors beg to submit to the shareholders their report for the year ending 31st December, 1895, with the accompanying certified statements.

Pursuing the prudent policy indicated in the last report, your directors have written off all interest on investments which was not considered by them to be presently collectible, the result being a temporary diminution in the revenue of the Association. That the present abnormal depression can, however, long continue, it is impossible to believe.

With regard to Manitoba, it is gratifying to be able to report that no active loan there is in default for interest, and but one farm loan in Manitoba is in the hands of the Association.

So far as new business is concerned, the directors have had to exercise extreme caution in the selection of loans.

The borrowers have repaid \$165,925 during the year.

Debenture money has been obtained on more favorable terms, and renewals at reduced rates of interest.

The revenue from the Association's building shows an increase over that of the previous year.

The monthly audit has been regularly maintained, and the manager and staff have performed their duties efficiently.

All of which is respectfully submitted.

LARRATT W. SMITH,  
President.

#### BALANCE SHEET FOR THE YEAR ENDING 31st DECEMBER, 1895.

##### Liabilities.

Capital stock .....	\$ 750,000 00
Deposits .....	165,177 30
Debentures sterling..\$552,830 97	
" currency.. 141,657 93	
	694,488 90
Dividend No. 51, payable Jan. 2, '96	18,750 00
Unpaid accounts .....	536 34
Reserve fund .....	112,000 00
Manitoba Guarantee Fund .....	32,000 00
Balance at credit of profit and loss account.....	1,239 01
Total .....	\$1,774,191 55

##### Assets.

Loans .....	\$1,411,871 63
Real estate vested in the association .....	222,783 02
Premises, Toronto street .....	80,000 00
Rents of Toronto street premises due .....	679 13
Cash in banks, ordinary account .....	38,534 92
" special account..	20,000 00
Cash in office .....	322 85
Total .....	\$1,774,191 55

#### PROFIT AND LOSS ACCOUNT.

##### Dr.

Interest to depositors.....	\$ 5,400 79
" on sterling debentures, due and accrued .....	\$23,138 27
Interest on currency debentures, due and accrued .....	6,262 31
	29,400 58
Debenture expenses.....	1,248 40
Directors' and auditors' fees, salaries, office expenses, tax on dividend, allowance for rent, etc.....	10,684 99
Inspection expenses, agents' commissions, and legal costs..	438 43
Dividends Nos. 50 and 51.....	37,500 00
Losses on real estate .....	1,157 39
Balance carried forward.....	1,239 01
Total .....	\$87,069 59

##### Cr.

Balance at credit.....	\$ 6,612 02
Interest on investments, and net rentals of Toronto street premises .....	80,457 57
	\$87,069 59

WALTER GILLESPIE,  
Manager.

We hereby certify that we have audited the books of the association, and have examined the vouchers and securities relating thereto, for the year ending 31st December, 1895, and have found the same carefully kept, correct, and properly set forth in the above statements.

HENRY WM. EDDIS, F.C.A. } Auditors.  
JOHN M. MARTIN, F.C.A. }  
Toronto, 15th January, 1896.

The president, in his address to the shareholders, said: "As I intimated, in my remarks at the last annual meeting, that unless the times improved we should only pay such dividends as we actually earn and collect, and as there has been no marked improvement, the directors have been obliged to reduce the dividend rate for the past year to 5 per cent. The interest on investments, including the net rentals of our Toronto street premises, aggregates \$80,457.57 for the year, whereas, had we received the full amount earned, at least \$14,000 additional could have been added to this item, and whatever we receive from these uncollected earnings hereafter will be all clear gain to us. The actual losses from sales of property during the past year have amounted to \$1,157.39, and have been written off.

"We have issued during the year, at reduced rates, debentures to the extent of \$91,975, and redeemed \$98,875, which had been carrying higher rates of interest.

"New loans and renewals to the extent of \$134,350 have been effected during the past year.

"The rates at which money can be safely loaned on real estate, are, on account of keen competition, yearly becoming lower, which makes it all the more necessary to observe the utmost prudence in making investments, and at the same time to exercise the strictest economy in the conduct of our business, especially as the capital of this association is fully paid up, and it has no earning power outside of the legitimate loaning business in investments in real estate.

"I regret that our worthy manager is unable to be present with us to-day, but I am gratified to be able to report that his health is steadily improving, and that we may hope, before long, he will be with us again. The business of the Association is, however, being satisfactorily conducted in his absence."

On the motion of the president, seconded by Mr. Wm. Mortimer Clark, the report and financial statement were unanimously adopted.

The usual resolutions were then put and carried, after which scrutineers were appointed, and, on a ballot being taken, the former directors were unanimously re-elected.

At a subsequent meeting held by the board, Larratt W. Smith, Q.C., D.C.L., was re-elected president, and George R. Cockburn, M.A., M.P., vice-president.

#### PEOPLE'S LOAN AND DEPOSIT COMPANY.

The annual general meeting of the shareholders of this company was held at the company's office, 41 Adelaide Street East