THE UNION TRUST COMPANY, LIMITED.

The First Annual Meeting of the shareholders of the Union Trust Company was held at its office, Temple Building, Toronto, on Tuesday, 25th February, the President, Dr Oronyatekha, in the chair.

FIRST ANNUAL REPORT OF THE DIRECTORS COVERING THE PERIOD FROM AUGUST THE 7TH, 1901, TO DECEMBER 31ST, 1901.

The Directors of the Union Trust Company, Limited, beg to submit herewith their Financial Statement for the year 1901.

The Company was organized under letters patent granted by the Provincial Government of Ontario, bearing date the 7th day of August, 1901, with an authorized capital of $2,000,000, in shares of $100 each; of this $2,000,000 has been subscribed at a premium of 10 per cent., and the premium and the first call of 25 per cent. have been paid in.

The details of organization have necessarily absorbed a large part of the attention of the Manager and the Directors, but at present the Company has obtained the requisite Provincial licenses, has selected a staff of agents and valuators and secured the co-operation of excellent legal firms in all parts of the Dominion, and is now carrying on its work with energy and success.

The financial operations of the Company, though limited to about four months' of actual work, have been entirely satisfactory.

The amount paid in on subscription is....	$500,000 00
The premium of 10 per cent. on the subscribed stock is....	200,000 00
The gross earnings of the Company up to Dec. 31st are....	25,175 58
The expenditures, including cost of management, license fees, etc., etc., up to 31st December, 1901, are....	6,389 94
The balance at credit of profit and loss, carried forward to 1902, is....	$ 18,787 64

The Company has no indebtedness to the general public or to any monetary institutions, its liability being entirely confined to its trust engagements and its shareholders.

The office staff has been unremitting in its care and attention to the business of the Company.

The Inspection Committee, composed of his Honour Judge McDougall and Matthew Wilson, Esq., K.C., have carefully examined all the mortgage securities of the Company.

The Auditors chosen by the shareholders, Messrs. A. C. Neff, F.C.A., and Colin R. W. Postlethwaite, C.A., have made a thorough monthly audit of the books, vouchers and securities.

ORONHYATEKHA, M.D., President.

FINANCIAL STATEMENT.

Period from August 7, 1901, to December 31, 1901.

PROFIT AND LOSS ACCOUNT.

Gross earnings....	$ 25,175 58
Charges, including costs of management, salaries, fees, preliminary expenses, registration and Provincial fees, etc., etc....	6,387 94
Balance....	$ 18,787 64

GENERAL BALANCE SHEET.

31st December, 1901.

ASSETS.

Loans secured by first mortgages on real estate		$486,021 57
Bonds, debentures and stocks and loans secured on the same....		265,912 44
Cash....		5,073 84
LIABILITIES.		
Capital (subscribed at 10 per cent. premium $2,000,000), paid up	$500,000 00	
Reserve....	200,000 00	
Sundry creditors....	38,220 21	
Balance Profit and Loss Account	18,787 64	
	$757,007 85	$757,007 85

Audited and approved.

A. C. NEFF, F.C.A.
C. R. W. POSTLETHWAITE, C.A.

Auditors.

February 25, 1902.

AUDITORS' CERTIFICATE.

We have made a monthly audit of the cash and bank accounts with the books and vouchers of the Union Trust Company from its inception to 31st December, 1901, and have checked the securities, and we hereby certify that the accompanying balance sheet is a true and correct statement of its affairs at the date named.

The books are in excellent condition and all required information has been fully and freely given.

(Signed)

A. C. NEFF, F.C.A.
C. R. W. POSTLETHWAITE, C.A.

Auditors.

February 25, 1902.

Judge McDougall—In moving the adoption of this first report of the Union Trust Company I have great satisfaction in congratulating the shareholders upon what appears to have been the remarkable result of four months' active business. In August, 1901, the Company was formally organized, and the Board of Directors elected. A few days before the 1st of September the new Board of Directors had placed in their hands the sum of $700,000 for investment. This large sum is made up of 25 per cent. upon the entire $2,000,000 authorized capital of the Company, and 10 per cent. premium thereon, all subscribed for before the Company commenced business. It was the duty of the Directors to find suitable and safe investment for this amount as speedily as possible. They had to compete in a field already occupied by a large number of other loaning societies and corporations. Many of those corporations had outposts at important points outside of this Province in other parts of the Dominion, notably in our great western Provinces. The Manager and Directors had to select and enlist valuators and agents and to establish relations with reliable business men as confidential advisers in every Province of the Dominion. The office staff had also to be organized, and the complex machinery of a large concern to be constructed. What was more important to the shareholders, it was urgent that all this should be accomplished with the greatest possible expedition consistent with successful operation. Well, gentlemen, I will not dwell longer upon the difficulties of the task you assigned to them. To-day they lay before you the con-