

## THE ENGLISH LOAN COMPANY.

STATEMENT FOR THE YEAR ENDING 31ST DECEMBER, 1879.

To the Shareholders of the English Loan Company:

Your Directors, in presenting their First Annual Report and Balance Sheet for the year ending 31st December, A.D. 1879, desire to congratulate the Stockholders on the very marked success which has attended the Company from its commencement to the close of the year.

The Stock Books were opened at the Head Office on the 20th January, 1879. The amount of Stock placed upon the market in all during the year was one million five hundred thousand dollars, the whole of which was sold and disposed of by the 10th day of December last, ten per centum of the subscribed capital being called in in instalments extending over a period of nine months; but a very large proportion of the stock was not subscribed for till the middle of the year; while, during the course of the whole year, \$92,015.13 was paid in on Stock, and invested in Real Estate Mortgages.

As is common with Companies of this kind, the commencement has been attended with comparatively heavy outlay in fitting up offices, office books and furniture, together with printing, advertising, and numerous other charges incidental to so large an undertaking. Your Directors are advised that it has not been unusual to divide these initial expenses into four parts, and to apportion the same over the first four years of the earnings; but, after the best consideration which could be given to the subject, it was deemed advisable to at once pay off the whole of these expenses, and to commence the new year entirely free from debt of any nature whatever.

The business of the Company commenced at an especially favorable period, namely, when money was comparatively stringent upon the market, and real estate considerably fallen and still shrinking in value; so that while the Company had at the end of the year \$168,554.15 under mortgage, it held, as security for the same, real estate which is estimated to realize at a forced sale \$421,405.

Your Directors have exercised the greatest care in investing your money, their policy being to always have a personal inspection of the properties offered, and never to loan more than one-half of the cash value of farms and one-third the cash value of the most eligible town or city properties. By strictly adopting this method of conducting the affairs of the Company, it is confidently believed that a loss will never take place, and in a few years the Company will stand second to none in the Dominion.

Your Directors have in some cases assumed the payment of mortgages which were on properties prior to the taking of their own mortgage, when the assumed mortgages ran over a number of years and were at a lower rate of interest. This has been done to the extent of \$64,428.50, and, together with the amount received on Stock, goes to make up the sum under mortgage at the end of the year.

Out of the net earnings of the Company, after providing for all charges of every kind, four quarterly dividends, at the rate of eight per centum per annum, have been paid, and the sum of \$4,279.34 carried to Reserve Fund. The next quarterly dividend, at the same rate, will be due and payable at the Company's offices on and after the first day of April next; and the same rate of dividend will continue to be paid until the Directors fix upon a higher rate, which no doubt will soon take place after the sterling bonds are placed upon the British market.

The Directors further desire to congratulate the proprietary upon this being purely a debenture company, and having no savings bank in connection with it. While companies of a similar kind, with savings banks attached, may make more rapid progress at the commencement, yet in the end, when the real merits of the enterprise are properly understood, they feel

sure all capitalists will see the more staple basis upon which debenture companies are founded; and your directors have no doubt they will be enabled to dispose of the sterling bonds in the Mother Country to much better advantage than they could do if Savings bank deposits were received.

The money paid upon Stock and received upon the sale of debentures being the sources out of which capital for investment is to be derived, and now that the subscribed capital has reached \$1,500,000, your directors would recommend that one million dollars in sterling bonds or debentures be placed upon the British markets for sale during this present year; and, considering that these bonds will be a first lien upon the whole assets of the Company—namely, the whole subscribed capital, less the amount paid on Stock—and also the whole of the mortgages now held, and all additional mortgages which are accumulating from day to day, as well as all other assets of the Company; and considering as well the exceptionally first-class standing of the body of the Stockholders, together with the prudent, judicious and economical management of the Company, your Directors have no doubt of a rapid and ready sale of the bonds at such low rates of interest as will be greatly to the advantage of the Company, and will meet the pressing demand made upon your Board for money now far beyond their power to supply.

Your Directors would recommend that in the sale of the Debentures negotiations be opened only with such financial houses as are of undoubted standing and permanency; and, as far as possible, that the whole business be done through some one really reliable firm, even though the expense may be somewhat greater than dealing with a number of less extensive houses would entail.

At the close of the year's business, the Directors have the satisfaction of knowing that the stock of the Company has been eagerly sought after and taken up by persons of wealth, and in all cases by thrifty, prosperous, permanent residents of the Dominion, except in a few cases where stock has been taken in England and the United States; and in every instance the Board has been careful in allotting stock only to persons who will be responsible shareholders.

At present, the Company has no stock upon the market; but it is intended soon to make a new issue of one million dollars of shares of stock, which will be offered first to the present stockholders at ten per cent. premium, and then to the general public at the same rate. The new issue, it is expected, will be sold chiefly in Great Britain and Ireland.

Your Directors would recommend the Company to continue the practice of strict monthly audits.

The securities have been most carefully valued at the rate of interest at which the investments were made, and the books and vouchers thoroughly examined by the auditors, and found correct and satisfactory.

The Secretary and other officers of the Company have performed their several duties to the satisfaction of the Board.

ALEXANDER VIDAL,  
President.

Dated at London, Canada,  
this 14th day of January, 1880.

Statement of receipts and disbursements, and balance sheet, for the year ending 31st December, 1879.

RECEIPTS.	
Receipts on stock.....	\$92,015 13
Repayment on loans.....	9,320 36
Sundries.....	330 80
Due Federal Bank.....	8,970 38
	\$110,636 67

ASSETS.	
Company's interest in 10 years' lease of building, offices and furniture .....	1,127 41

Cash value of mortgages.....	168,554 15
Petty ledger.....	11 79
	\$169,693 35

DISBURSEMENTS.	
Dividends on stock.....	\$3,917 77
Interest .....	7 67
Payments on loans.....	99,996 80
“ “ assumed mortgages..	1,195 40
Expenses.....	3,459 84
Commissions on loans.....	919 39
Payment on building, office furniture, &c.....	1,127 41
Petty ledger.....	11 79
	\$110,636 67

LIABILITIES.	
Paid on stock.....	\$92,015 13
Assumed mortgages.....	64,428 50
Federal bank.....	8,970 38
Reserve fund.....	4,279 34
	\$169,693 35

We hereby certify that we have submitted the books and vouchers of "The English Loan Company" for the year ending December 31st, 1879, to a careful and complete examination, and find the same to be correct, and in accordance with the above statements.

CHAS. MURRAY, } AUDITORS.  
JOHN WRIGHT, }

London, 14th January, 1880.

## ATTACHED.

## ONTARIO.

James Goodall, grocer, Ottawa; Duncan Campbell, hotelkeeper, Port Elgin; John H. Delamere, store, Minden; William Cosgrove, Stratford; Alex. Vandrick, Port Elgin; Robert Dalley, Guelph; Sparks & Wolf, live stock, etc., Gloucester; J. F. Adams, Walkerton; John D. O'Neill, Sarnia; T. Dodge, Picton; Mrs. A. McLean, grocer, Dominionville; Geo. Morton, cheese, Kingston.

## QUEBEC.

Napoléon Lavoie, trader, Lévis; J. B. Emond, trader, Montreal; P. Roy, hotelkeeper, Montreal; H. T. A. Chagnon, trader, Montreal; Désiré Blais, Sherbrooke; Charles McWilliam, Georgeville; L. Foisy, store and post office, Arthabaskaville Station; E. Gélinas, A. R. Bell; John D. O'Connor, J. Cox, Jos. Bissillon, all five of Montreal. O'Connor was probably the last to take advantage of the now expired Insolvent Act.

## NOVA SCOTIA.

H. L. Borden, general store, Pugwash; C. W. Reeves & Co., grocers, Halifax; G. A. Misner, Dartmouth.

## NEW BRUNSWICK.

James Adams, St. John; John Phillips, bats, St. John.

## PRINCE EDWARD ISLAND.

A. Doyle, snails, Charlottetown.

## ASSIGNED.

## ONTARIO.

Jas. Croil, Morrisburg.

## QUEBEC.

Louis Foisy, trader, Victoriaville; H. T. Wood, general store, Woodside.

## NOVA SCOTIA.

Chas. P. Shaw, crockery, Windsor.

## FIRE RECORD.—ONTARIO.

Neustadt, March 26.—Barn and outbuildings of Charles Schnieber destroyed, together with three horses, fourteen cattle and fifteen sheep; also one hundred bushels of wheat and all the farming implements. Loss \$3,000; insured in