able farm and other properties at enhanced prices, and has enabled borrowers, especially during the latter part of the year, to pay their

indebtedness promptly.

Although rates of interest have again ruled exceedingly low on the highest class of real estate securities, it has been met to some extent by a reduction in the rate of interest paid on the borrowed capital of the company, re-sulting in slightly increased net earnings over the previous year. Your directors, after paying the usual half yearly dividends of 3½ per cent. each, amounting to \$84,000, have been enabled to add \$21,000 to the Reserve und, making it \$400,000, or 331 per cent. of

the paid-up capital.

The sum of \$\\$645,022\$ has been loaned on mortgages, and \$774,132 of principal and interest has been repaid during the year. The large sum repaid during each year (in proportion to the liabilities of the company of about \$2,000,000), is due to the fact that your directions. vides for any possible depreciation in values of securities, besides providing ample funds for meeting any maturing indebtedness (if required), or for loaning purposes.

Sterling debentures have increased \$57,370

during the year.

Currency debentures have increased \$19,300 during the year.

Assets have increased \$91,680 during the vear.

Reserve Fund has increased \$21,000 during the year.

The only properties that the company had unsold on their hands at the end of the year consisted of 225 acres of improved lands, and a block of four brick stores in a first-class locality, in a thriving town, which are leased for a sum more than sufficient to pay the interest on the company's mortgage, and all rates, taxes and insurance.

In conclusion, your directors have to say that the thanks of the shareholders are due to Messrs. Mylne and Cook, the general agents for the company in Edinburgh, for their successful efforts in placing the debentures of the company in Great Britain, at a rate of interest which leaves a fair margin of profit to the

company.
All of which is respectfully submitted. Joseph Jeffery, President.

London, 11th January, 1892.

REVENUE ACCOUNT.

Interest on sterling debentures	\$56,314	25
Expenses connected with sterling		
debentures	4,737	62
Interest on currency debentures	4,973	23
Savings' bank interest	19,234	30
Commission and expenses in con-	•	
nection with loans	4,212	55
Expenses of management	15,348	99
Income tax paid	1,512	00
Dividend No. 55, paid July 2, 1891.	42,000	00
Dividend No. 56, due Jan. 2, 1892	42,000	00
Carried to reserve fund	21,000	00
Balance carried forward	266	32
	\$211,599	<u>26</u>
Balance from last year	167	71

\$211,599 26

.. 211,431 55

FINANCIAL STATEMENT.

Interest earned on mortgages, etc.,

A	ssets.	
1. Mortgages on real		
estate	3,382,968	35
2. Loans on deben-		
tures	14,178	41
3. Loans on this		
company's stock		
(in no case ex-		
ceeding par value)	12,933	21
4. Office premises	=2.000	••
(freehold)	72,000	00
5. Cash with Bank	00.401	40
of Scotland 6. Cash with the	22,491	42
Molsons Bank	103,207	04
7. Cash with the	100,207	U-2
Traders' Bank of		
Canada	2,847	12
-		3 ,610,625 55
		m = , = = 0 , 0 # 0 0 0

Liabilities

Liabilities to the public— Sterling debentures.\$1,364,889 14

l	Accrued interest on			
7	same	13.987	67	
٠.	Currency debentures	117,280	00	
į	Accrued interest on same			
l	same	1,969	30	
l	Savings bank de-	•		
	posits	470,233	12	
i	- -		\$1 ,968,359	23

...\$1,642,266 32 Liabilities to the shareholders-Capital stock paid up\$1,200,000 00
Dividend No. 56 (since paid) 42,000 00
Reserve Fund \$379,000

Carried to do. 21,000

400,000 00 Balance at credit of revenue ac-266 32

\$1,642,266 32

To the Shareholders of the Ontario Loan and Debenture Company:

We hereby certify that we have audited the books and accounts of the Ontario Loan and Debenture Company for the year 1891, comprising a monthly cash audit and the verifica tion of the postings and balances in all the company's books, and we find the whole correct and in accordance with the above statements. We have also examined the securities, and find them in order.

GEO. F. JEWELL, F.C.A., A. S. EMERY,
London, Ont., January 16th, 1892.

The president, in moving the adoption of

the report, said:
"It is with much pleasure that I meet you again. The statement which has just been taken as read has proved very satisfactory to the directors, and I am sure will meet with the

approval of the shareholders.
"Our investments are in good shape; the policy of the company has always been to loan only on the highest class of real estate securi-ties at no great distance from the head office of the company, and after careful inspection by our head office inspectors. As a result of our conservative policy we have had to accept a lower rate of interest than we might have obtained had we been content with a less desirable class of securities.

" In consequence of the difficulty of obtaining first class investments your directors have considered it advisable not to make, at present, any special effort to increase our borrowed capital, deeming it more prudent to do an absolutely secure and profitable business rather than a large one. You will see by reading the report that we have very little property on our hands. It has always been the policy of your directors to write down the values of any properties unsold to a figure which makes it certain that the amount charged against them tain that the amount charged against them will be obtained; this we consider preferable to keeping up values and providing a contingent fund. It is very satisfactory to be able to inform you that payments of principal and interest on loans have in nearly all cases been promptly met. In 1891 over three quarters of a million dollars were repaid. On an average about one-fifth of our total investments (which amount to over three and one-half (which amount to over three and one-half millions), are repaid each year; this shows the activity of our business and proves better than anything else I can state the soundness of our securities. The managethe soundness of our securities. The management requires no remarks from me. The steady and sound progress of the company and high position it holds among the financial institutions of the country speaks for itself. In conclusion I have great pleasure in stating that results have fully justified the wisdom of the choice I made in the appointment of our general agents, Messrs. Mylne & Cook, C.A., of Edinburgh; the matter was left in my hands by your directors; I felt the responsibility a great one. In Messrs. Mylne & Cook we have agents who are efficient and have at heart the good of the company and rank high heart the good of the company and rank high as men of integrity.

"With these remarks I move the adoption of the report, but before putting the motion to the meeting I shall be pleased to answer any questions or give any further information." The vice president, Mr. John McClary, in a few well chosen remarks, seconded the motion,

which was carried unanimously.

which was carried unanimously.

The retiring directors, Messrs. Joseph
Jeffery, John McClary, Alex. Johnston,
William Bowman and William McDonough
were re-elected for the ensuing year.

Messrs. Geo. F. Jewell, F.C.A., and A. S.

Total \$1,796,430 37

Assets.

Dec. 31, 1891.

Loans \$1,471,732 99

Emery were re-appointed auditors for the ensuing year.

At a subsequent meeting of the board, Mr. Joseph Jeffery was re-elected president, and Mr. John McClary vice-president.

WILLIAM F. BULLEN,

Manager.

BUILDING AND LOAN ASSOCIATION.

The twenty-second annual general meeting

The twenty-second annual general meeting of the Building and Loan Association was held at its offices, Toronto, at 3 p.m., on Tuesday, the 9th day of February, 1892, the president, Larratt W. Smith, Q.C., D.C.L., in the chair. There were present:—Price Jackes, Alexander Smith, Joseph Jackes, Col. Sir. C. S. Gzowski, A.D.C. to the Queen, Wm. Mortimer Clark, C. V. M. Temple, H. W. Eddis, Alexander Wills, George Murray, Edward R. Greig, A. V. Delaporte, Edward Hobson, C. S. Gzowski, ir., John M. Bond, Henry Wade, C. Gzowski, ir., John M. Bond, Henry Wade, C. Gzowski, jr., John M. Bond, Henry Wade, C. E. Maddison, Allen Cassels, Bernard Saunders, Robert Thompson, George R. R. Cockburn, M.P., J. S. Allan, E. Galley, C. C. Baines, and

The following report and financial statement was read :-

The directors beg to submit to the stock-holders their report for the past year, ending 31st December last, together with the usual financial statements.

The business of the year, though quiet, has been satisfactory. After meeting all obligations, and writing off all ascertained losses for the year, the directors have been enabled to provide the usual dividend of six per cent., place \$4,000 to the Reserve Fund, and carry forward to the credit of Profit and Loss Account the sum of \$1,145, which would have been materially increased, but for the neces-sity of having to entirely renovate, at considerable cost, the plumbing arrangements of the company's building.

The sales of property have been very limited, and consequently the item under the heading

has been but slightly decreased in amount.

The properties in Winnipeg were very thoroughly inspected and valued by two members of the board during last summer, with the result that the directors are satisfied that the sum appropriated for the "Manitoba Guarantee Fund" will be ample to cover any losses that may arise from investments in Manitoba; and they are equally confident, after careful examination, that the amount at Contingent Account will be sufficient to meet all losses which may arise from sales of property in Ontario.

Owing to the uncertain condition of the real estate market, the directors have been obliged to use the greatest discrimination in the selection of loans.

The rents from the office premises show a net return, exceeding six per cent., of their estimated value.

The result of the monthly audit will appear by the certificate of the auditors appended to the financial statements.

The manager and his competent staff con-

tinue to give every satisfaction.

All of which is respectfully submitted,
LARRATT W. SMITH. President.

BALANCE SHEET FOR 1891.

Liabilities

Liavillites.		
Dec. 31, 1891.		
Capital stock	750,000	00
Deposits	178,984	27
Debentures, sterling.\$536,794 71	,	
" currency 150,075 36		
	686,870	07
Dividend No. 43, payable 2nd	·	
Jan., 1892	22,50 0	00
Unpaid accounts	855	43
Reserve Fund \$108,000 00		
" " added		
1891 4,000 00		
	112,000	
Contingent Account	12,075	60
Manitoba Guarantee Fund	32,000	00
Balance at credit of Profit and	,	•••
Loss Account	1 145	^^
TOSS TOOUTH	1,145	υU
		 .
Total\$1	1,796,430	37