Meetings.

HURON AND ERIE LOAN AND SAVINGS COMPANY.

The thirty-fifth general annual meeting of this company was held at its office in London, Ont., on Wednesday, Feb. 8, 1899. Present: Messrs. F. P. Betts, P. Mackenzie, V. Cronyn, C. Morton, G. F. Jewell, J. W. Morrison, H. E. Gates, T. A. Browne, Hume Cronyn, Dr. Eccles, F. E. Leonard, John Labatt, J. W. Little, G. A. Somerville, Dr. H. Arnott, J. M. McWhinney, and others.

The president, Mr. J. W. Little, took the chair, and the manager, Mr. G. A. Somerville, acted as secretary. The minutes of the last annual meeting were read and approved, after which the report and financial statement were submitted as follows:

REPORT.

The directors of the Huron and Erie Loan and Savings Company beg to submit herewith their thirty-fifth annual report, showing the results of the business of the company for the past year, accompanied by the balance sheet to December 31, 1898, duly audited.

The net profits for the year show an improvement over last year's results, due mainly to reductions made in interest on borrowed capital. After defraying the expenses of management and all other charges, and writing off anticipated as well as actual losses, the balance available for distribution is $168,762.52, the following disposition of which has been approved by the board:

Dividends, 9 per cent. per annum, and income tax thereon.	$128,636 76
Addition to reserve fund	30,000 00
Applied in reduction of office premises account	5,000 00
Addition to balances of unappropriated profits carried forward	5,125 76
Total	$168,762 52

As heretofore, no investments have been made by the company outside of Western Ontario. The applications for loans have been scrutinized with the usual care, and only such have been accepted as were considered desirable after examination and report by the company's inspectors.

Throughout the year the demand for money on mortgage has been fairly good, but at declining rates of interest. The amount of new loans effected during the year, including mortgages renewed for a further term, was over $1,500,000.

The prosperity and greater activity apparent in almost every department of business are observable also in an increased demand for farm property, generally at improved prices. Borrowers have met their payments very satisfactorily, and the real estate held by the company, exclusive of office premises, is taken into account at only $10,800. This sum includes all properties remaining unsold which have come into the possession of the company by foreclosure, failure to obtain purchasers under power of sale, or otherwise.

Your directors desire to bear testimony to the very efficient manner in which the manager and other officers of the company have discharged their respective duties.

All of which is respectfully submitted.

J. W. LITTLE, President.

London, Ont., Jan. 28, 1899.

STATEMENT FOR THE YEAR ENDING DECEMBER 31ST, 1898.

PROFIT AND LOSS.

Dr.

To dividend No. 68, 4½ per cent.	$63,000 00	
Dividend No. 69, 4½ per cent.	63,000 00	
Income tax	2,636 76	
		$128,636 76
Interest on deposits	$41,743 74	
Interest on sterling debentures	52,952 21	
Interest on Canadian debentures (including interest accrued but not due)	60,133 07	
		$154,829 02
General expense account	$17,857 15	
Other expenses, including directors' fees, auditors' salaries, solicitors' fees, taxes on office premises, etc.	5,858 84	
Commission on loans	6,298 83	
Land inspection	4,788 65	
Commission and other expenses on sterling debentures	1,822 44	
		$ 36,625 91
Losses on real estate		$ 2,110 42
Written off office premises		5,000 00
Transferred to reserve fund		30,000 00
Balance		22,553 70
		$379,755 81

Cr.

By balance brought forward	$ 17,427 94
Interest earned	361,464 01
Rents from office building	558 00
Profit on sterling exchange	305 86
	$379,755 81

ASSETS AND LIABILITIES.

Liabilities to the Public:

To deposits	$1,393,552 26	
Sterling debentures	1,352,582 92	
Canadian debentures	1,540,596 42	
Interest accrued but not due	35,140 48	
		$4,321,872 08

To the Shareholders:

To capital stock paid up	$1,400,000 00	
69th dividend, due January 3, 1899	63,000 00	
Reserve fund	780,000 00	
Unclaimed dividends	43 38	
Balance	22,553 70	
		$2,265,597 08
		$6,587,469 16

Assets:

By cash value of mortgages	$6,119,034 46	
Less amount retained to pay prior mortgages	30,626 66	
		$6,088,407 80
Real estate on hand		$ 10,800 00
Office premises		15,000 00
Cash value of debentures and government inscribed stock	268,560 00	
Cash in office	3,774 20	
Cash in banks	200,927 16	
		$ 473,261 36
		$6,587,469 16

G. A. SOMERVILLE, Manager.

We hereby certify that we have carefully audited the books and accounts of the Huron and Erie Loan and Savings Company for the year ending December 31, 1898. The cash and bank accounts have been audited monthly; the postings and balances of all the company's ledgers examined quarterly; and we find the whole correct and in accordance with the above statements. We have also examined the company's securities and find them in order.

GEO. F. JEWELL, F.C.A.,
THOS. A. BROWNE,
Auditors.

London, January 26, 1899.

The president, in moving the adoption of the 35th annual report, said: "I have much pleasure in congratulating the shareholders on the continued prosperity of the company. Ever since the organization of the Huron and Erie in 1864, there has been a steady advance; year by year the directors have been able to show a satisfactory improvement in the company's position, and this report will compare very favorably with any previously presented.

"After providing for the usual dividend of 9 per cent. per annum, and for all ascertained and probable losses and outlays of every kind, $5,000 have been written off the office building, about $5,000 added to the balance carried forward, and $30,000 placed to the credit of the reserve fund, which now amounts to $780,000, or over 55 per cent. of the paid-up capital.

"The policy of the careful inspection of all loans by the company's own officers has been continued, and all applications for renewals, as well as for new loans, have been rigidly scrutinized, less than 40 per cent. of the new loans considered by the board having been accepted.

"The company has now only eleven mortgages over $10,000, the total number being 3,698, averaging $1,654.68 each. The arrears of principal and interest amount to less than 1¼ per cent. of the money invested, and the real estate on hand stands at $10,800.

"The rate of interest paid on deposits and debentures has been considerably reduced and a very satisfactory feature is the large increase in Canadian debentures, an evidence of the high standing of the company where it is best known.

"Early in the year your directors purchased a block of city of London 3½ per cent. debentures maturing in about 25 years. As these securities are readily salable in financial centres abroad, as well as in Canada, they constitute a valuable addition to the immediately available assets of the company.

"The question of the amalgamation of the Huron and Erie with some other company or companies has lately received some attention in the newspapers. It may therefore be well for me to state that this matter has never been discussed by the board, and that they have neither received nor made any proposal respecting amalgamation with any company in London or elsewhere.

"Another interesting topic has been the company's dividend. Your directors have frequently been asked whether they expected to be able much longer to maintain the present rate. Heretofore the board has not spent much time in discussing the prospects of the company, nor have many attempts been made at the annual meeting to forecast the future, rather have the directors bent their energies to secure the best possible results, taking the shareholders very fully into their confidence, thus enabling them to judge of these matters for themselves, and there seems to be no good reason for making a change in our methods. The shareholders may rest assured that every item in the assets has been taken at what may be called a 'hard pan' valuation, and that no account of any kind is carried in the company's books, without making what the directors consider an ample allowance if there appears to be the slightest probability of loss.

"I have nothing further to add but will be glad to answer any questions. I now beg to move the adoption of the report."

The vice-president, Mr. Philip Mackenzie, seconded the motion, which was carried unanimously. He congratulated the shareholders upon the profitable nature of the year's business. A comparison of the annual reports would show that the earning power of the shareholders' money had been about 1 per cent. greater this year than last.

Mr. Charles Morton expressed pleasure at the fact that the company had not amalgamated with any other institution. The present report, he thought, could not be improved upon.

On motion of Dr. Eccles, seconded by H. E. Gates, the usual vote of thanks to the president, directors, manager and officers of the company was adopted.