

The Contingent Account was not disturbed during the year—except by the addition of \$2,000—the extent to which this account will require to be applied for the purposes mentioned in the last two annual reports not having yet been ascertained.

The increase in the deposits held by the company having rendered necessary an increase in the subscribed capital, the directors, on the 1st of December last, passed a by-law authorizing the issue of 5,000 new shares, to be allotted to the shareholders in the proportion of one new share for every two shares, as held on the 5th of January, 1887, subject to a first call of ten per cent., and at a premium of twenty per cent. This allotment has been made and the new stock all taken up. A comparatively small number of shares were not taken by shareholders entitled to them, and were allotted to others desirous of taking the stock—applications have been received by the directors for a very much larger number than were at their disposal. The deposits held now amount to \$1,493,771.87, a gratifying proof of public confidence in the company.

The mortgage loans shew a small increase. These loans are in a satisfactory shape.

All of which is respectfully submitted.

FRANK SMITH,

TORONTO, Feb. 7th, 1887. President.

STATEMENT OF ASSETS AND LIABILITIES.
31st DECEMBER, 1886.

Assets.

Loans on collaterals of stocks, bonds and debentures mortgage loans.....	\$1,229,108 85
Mortgage loans.....	314,155 87
Municipal and other debentures..	69,597 44
Real estate—office premises.....	15,600 00
Cash in bank.....	\$63,369 47
Cash on hand.....	3,774 93
	\$67,144 40
Office furniture.....	1,854 63
Sundry accounts.....	160 50
	\$1,697,621 19

Liabilities.

Capital stock subscribed, \$1,000,000, * upon which has been paid 10%, amounting to.....	\$ 100,000 00
Due depositors, including interest added 31st Dec., 1886..	1,493,771 87
Due mortgagors, not yet paid over, retained for various purposes	9,732 59
Dividend payable 3rd Jan., 1887	3,500 00
Directors' compensation.....	2,500 00
Reserve fund, as on 31st Dec., 1885 ..	\$50,000 00
Reserve fund, added 31st Dec., 1886 ..	6,000 00
	\$56,000 00
Contingent account, as on 31st Dec., '85	\$30,000 00
Contingent account, added 31st Dec., '86	2,000 00
	\$32,000 00
Balance, Profit and Loss Acct..	116 73
	\$1,697,621 19

*Since the close of the year, the Subscribed Capital has been increased to \$1,400,000, and a first call of 10 per cent. made on the additional \$500,000.

PROFIT AND LOSS.

Dr.

Interest paid and credited depositors	\$49,984 91
Expenses of management, including commissions on loans	9,993 91
Auditors' fees	600 00
Directors' compensation	2,500 00
Dividend paid 2nd July, 1886	\$3,500 00
Dividend payable 3rd January, 1887	3,500 00
	\$7,000 00
Balance preliminary expenses written off	700 00
Added to Reserve Fund.....	6,000 00
Added to Contingent Account..	2,000 00
Balance	116 73
	\$78,895 55

Cr.

Gross earnings for the year	\$78,823 41
Balance Profit and Loss Account last year.....	72 14
	\$78,895 55

JAMES MASON, Manager.

Toronto, 7th February, 1887.

We hereby certify that we have examined the Books and Accounts of the Home Savings and Loan Company, Limited, for the year ended 31st December, 1886, and find the above statements correct.

We have also examined the Vouchers and Securities, and found them all correct and in accordance with the above Statements.

H. JOSEPH,
ANGUS D. MACDONELL, } Auditors

To the President and Directors of the Home Savings and Loan Company, (Limited).

The adoption of the report was moved by the president, seconded by the vice-president, Mr. Eugene O'Keefe, and carried.

It was then moved by Mr. James J. Fox, and seconded by Mr. James Gunn, that the by-law No. 50, just adopted by the directors on the 1st December, authorizing the issue and allotment of five thousand new shares of the stock of the company, be, and is hereby confirmed. Carried.

Moved by Mr. T. R. Wood, seconded by Mr. John R. Mason, that the thanks of the shareholders be and are hereby tendered to the president, vice-president and directors, for their careful attention to the affairs of the company during the past year. Carried.

Moved by Mr. M. O'Connor, seconded by Mr. C. C. Baines, that the thanks of the shareholders be and are hereby given to the manager and other officers of the company, for the efficient manner in which they performed their respective duties during the year. Carried.

On motion of Mr. E. O'Keefe, seconded by Mr. A. Foy, Messrs. Henry Joseph and Angus D. Macdonell were chosen auditors of the company for the ensuing year; each to be paid the sum of \$300 for their services.

Moved by Mr. John Fox, seconded by Mr. P. J. Nealon, That the poll be now opened for the election of Directors, and that the same be closed whenever five minutes shall have elapsed without a vote having been tendered; and that Messrs. C. C. Baines and Augustine Foy be the scrutineers to take the vote; and that they report the result to this meeting.—Carried.

The election was then proceeded with, the result of the ballot being the unanimous re-election of all the retiring directors, as follows: Hon. Frank Smith, and Messrs. Eugene O'Keefe, Patrick Hughes, W. T. Kiely and John Foy.

A vote of thanks was next tendered the Hon. Frank Smith, for his conduct in the chair; the motion being made by Mr. W. T. Kiely and seconded by Mr. P. Hughes, with Mr. T. R. Wood in the chair.

The meeting then adjourned.

At a meeting of the new board, held immediately after the close of the above, the Hon. Frank Smith was re-elected president, and Mr. Eugene O'Keefe re-elected vice-president of the company.

PEOPLE'S LOAN AND DEPOSIT COMPANY.

The twelfth annual meeting of the shareholders in this company was held at the company's office, 29 Adelaide Street east, Toronto, at 2 o'clock, p.m., on Monday, 14th February, 1887.

There were present, Messrs. Wm. Elliott, John Aikins, R. Dunbar, Dr. J. Carlyle, F. W. Walker, Geo. Gamble, Alex. Smith, John Ellston, Jos. C. Patton, A. Wills, E. J. Hobson, Geo. B. Sweetnam, Ed. Galloway, Wm. Crocker, W. G. Cassels, B. Saunders, Dr. M. H. Aikins, J. Y. Reid, James Scott, John E. Hall, S. W. Black, J. B. Sorley, C. H. Fuller, H. C. Stevens, Jas. Watson, and others. The president in the chair.

The manager read the circular and advertisement convening the meeting. The minutes of the last annual meeting were read and adopted. The secretary then read the financial report, as follows:—

REPORT.

1. Your directors present for the information of the shareholders of the People's Loan and Deposit Company the balance sheet and profit and loss account, showing the business of the past year, and also the customary triennial tabulated comparative statement of the leading items interesting to members of the company, showing a satisfactory increase in every item.

	1875.	1881.	1886.
Capital paid up Dec. 31st	\$ 83,049	\$ 480,310	\$ 564,580
Average of capital for year..	45,000	460,377	510,344
Deposits on Dec. 31st	8,108	418,544	560,672
Debentures		6,000	43,300
Amount of loans made.....	108,858	469,898	384,602
Repayment of loans.....	26,495	237,637	337,928
Amount under loan Dec. 31st	88,262	1,014,682	1,238,264
Amount of reserve fund ..	518	32,000	92,000

2. The stockholders are aware by circular forwarded to them in September last, that \$100,000 of new stock was issued at a premium of ten per cent. This has all been taken up by the stockholders, and as you will see by the annual statement herewith, three-fifths of the stock was paid by the end of the year, and a still larger proportion of the premium. Since the end of the year \$8,934.46 more has been paid up. The chief reason for this new issue was that deposits, which are a source of profit to the company, had frequently to be declined because the limit allowed by law was reached, that limit being the amount of paid-up stock. The number of stockholders of the company now is 295 (being sixteen more than last year), holding on an average \$1,914 each.

3. You are all aware of the lowering of the rates of interest on loans. Notwithstanding your board has, by diligent attention, kept money employed at the best rates obtainable, and has been able to earn the customary dividend of seven per cent., and to add to Reserve the profit on new stock and \$10,000 from current profits of the year, making in all \$18,000, and an additional sum of \$2,740 to the contingent fund, making it \$6,403.

4. The supply of money during the year has been abundant, sometimes too much so; for stockholders well know that it is unprofitable to have money unemployed. At the same time believing that money can always be profitably invested, the company is prepared to issue debentures for \$200 and upwards, running two years or longer at as good a rate of interest as any similar institution, security for the payment of which is undoubted. The stockholders are reminded that the money of the company may be loaned on the security of its stock. This affords a convenient method of borrowing money at reasonable rates without expense, and at the same time giving the company the best of security.

5. The employees continue to discharge their duties in a perfectly satisfactory manner. The auditors' statement is subjoined.

6. Knowing that the shareholders of the company are intelligent on matters of finance both as to the past and to the probabilities of the future, your directors will not occupy your time with an expression of their opinion on those points.

7. In accordance with by-law all the directors retire, but are eligible for re-election. All of which is respectfully submitted.

WILLIAM ELLIOT, President.

TORONTO, February 14th, 1887.

BALANCE SHEET.
Assets.

Dec. 31, 1886.	
Amount loaned ..	\$1,212,212 90
Real estate	26,051 99
	\$1,238,264 89
Office furniture ..	360 00
Cash on hand	900 00
Cash in banks....	47,203 26
	\$1,286,728 15

Liabilities.

Dec. 31, 1886.	
Capital stock.....	\$ 564,580 15
Reserve fund, 1885....	\$74,000 00
" " 1886....	18,000 00
	92,000 00
Contingent fund.....	5,162 45
Less directors' and auditors' fees	1,500 00
	\$3,662 45
Appropriated from profits 1886	2,740 72
	6,403 17
Dividend on stock unpaid	18,149 26
Total liabilities to shareholders	681,132 58