

# REPORT OF THE DIRECTORS

OF THE

## CANADA PERMANENT LOAN AND SAVINGS COMPANY,

FOR THE YEAR 1886.

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The Directors have very much satisfaction in presenting to the Stockholders their report of the business of the Company for the year 1886 and the duly Audited Annual Statement.

It was intimated in the preceding Report that the limit of borrowing power on the existing Stock Capital had been reached. As the demand for loans continued and could not be met without additional money, the Board decided to offer to the Shareholders, *pro rata*, a half million dollars of new stock, upon which twenty per cent. has been called up and paid. No premium, beyond a proportionate contribution to the Reserve Fund, was charged the Shareholders, but the shares not taken were disposed of at a profit of \$3,072. This issue enlarges the Subscribed Capital to \$3,500,000, and the Paid-up Capital to \$2,300,000. With these increased funds, and those which they were thus empowered to accept for investment, the Directors have been enabled to supply all approved applications for loans.

The Cash Receipts for the year reach the unprecedentedly large sum of three millions one hundred thousand dollars. Of this amount there were received from investors here and in Great Britain \$1,167,079, and on account of mortgage loans and other securities \$1,751,868. The amount invested during the year was \$1,554,325.

The total assets of the Company exhibit an increase of \$528,054 over last year, and now amount to \$9,301,615, of which \$8,802,484 consist of mortgages on real estate.

Out of the net earnings the Board was able to declare the usual half-yearly dividends of six per cent. each on the Paid-up Stock, as well as to pay the income tax thereon levied by the City of Toronto, amounting to \$4,345, and also to add a further sum of thirty thousand dollars to the Reserve Fund, which now amounts to \$1,180,000. The Contingent Fund of \$100,378 affords an additional safe-guard against any possible, but at present unforeseen, depreciation in securities.

Further enlargement and changes in the Company's building have been found necessary, for which increased rentals are obtained. It is hoped that no considerable expenditure under that head will be again required for many years.

The prevailing low prices of agricultural products has had a depressing effect on the value of farming lands in Ontario, and has prevented the full realization of the prosperity expected from the better harvest and freedom from summer frosts last year in Manitoba. In both Provinces, however, the business of the year has been satisfactory.

The Directors have deemed it advisable to give notice of an application to Parliament for power to open registers of the Company's Debenture Stock in Great Britain and elsewhere, and also to give power to the Company to transact business in all parts of the Dominion.

All which is respectfully submitted,

E. HOOPER,  
PRESIDENT.