

## SMART-WOODS, LIMITED

The financial statement of Smart-Woods, Limited, for the year ended December 31 last shows net earnings of \$770,816, compared with \$516,190 earned in 1916. Bond interest took \$29,250, war tax \$110,730, deferred charges \$60,014, Patriotic Fund \$8,500, reserve for bad debts \$20,000, preferred dividends \$108,185 and common dividends \$120,246, leaving a net surplus for the year of \$313,890, compared with \$150,209 in 1916.

## HURON AND ERIE MORTGAGE CORPORATION

The profits of the Huron and Erie Mortgage Corporation, of London, Ontario, last year were \$450,191, earned on paid-up capital stock of \$2,500,000. These profits were almost \$10,000 greater than those of the previous year, but the increase was largely absorbed by more generous gifts for war purposes and by additional taxes which the corporation was called upon to pay. The total amount paid to shareholders in dividends and the amounts added to reserve fund and undivided profits were, therefore, only slightly more than those of 1916. The company's financial statement indicates a maintenance of the strong position it has held for so many years. The shareholders were paid dividends at the rate of 12 per cent. Pension funds, taxes, patriotic funds and branch extension fund absorbed approximately \$50,000. A further appropriation of \$100,000 was made to the reserve fund, which now amounts to \$3,100,000, or 124 per cent. of the company's paid-up capital—an exceptionally favorable position in that respect. The corporation has no real estate on hand other than office premises, all properties which have come into the possession of the corporation by foreclosure, failure to obtain purchasers under power of sale, or otherwise, having been sold.

In presenting the directors' report at the recent annual meeting, Mr. T. G. Meredith, K.C., president, gave some interesting figures regarding the company's total mortgage

investments, which at the end of the year amounted to \$10,584,773, or \$750,000 less than those of a year ago. In round figures, these investments are made up of nearly \$7,000,000 of Ontario mortgages, about \$1,000,000 of Manitoba, \$2,500,000 of Saskatchewan, and \$167,000 of Alberta. At the end of the year practically all the past due interest had been paid in Alberta, while in the other three provinces the arrears of interest were less than two-thirds of 1 per cent. of the amount invested, a splendid record. These \$10,500,000 are represented by 4,378 mortgages, making an average loan of less than \$2,500. Of these loans, the greater portion is secured by farm property, and the balance on productive properties (chiefly residential) in the larger cities of Ontario or in the city of Winnipeg. The values placed by the company's own inspectors upon the lands and premises forming the security total nearly \$25,000,000, so that the loans average less than 45 per cent. of the inspectors' valuation.

Speaking generally, both in Ontario and in the western provinces, repayments on mortgages have been extraordinarily good—better, indeed, than in any year since the war. As the results show, the company has been repaid more money than, in reality, they cared to accept.

Discussing other items of the company's assets, Mr. Meredith pointed out that holdings of municipal, school district and rural telephone debentures decreased by over \$200,000. Here, again, the record of payment, both of principal and interest, is highly satisfactory. The only increase in the list is shown under the heading of government bonds, the holdings of which have grown from \$716,000 to almost double that figure.

Major Hume Cronyn, M.P., is first vice-president and general manager of the company, which is one of the oldest and strongest mortgage corporations in Canada. Major Cronyn is known throughout the country as one of the foremost loaning authorities, and has contributed largely to the marked success of the Huron and Erie Mortgage Corporation. With Mr. Meredith as president, he is supported also by the following directorate: F. E. Leonard, second vice-president; George T. Brown, F. R. Eccles, M.D., LL.D., Robt. Fox, H. E. Gates, A. H. M. Graydon and Philip Pocock. Mr. Aylsworth is the company's secretary.

## FIFTH ANNUAL REPORT

## The Waterloo County Loan and Savings Company, Waterloo, Ont.

## FINANCIAL STATEMENT TO DECEMBER 31ST, 1917

## PROFIT AND LOSS ACCOUNT.

Dr.		Cr.	
Interest on Deposits .....	\$21,555.11	Balance brought forward .....	\$ 1,878.04
Interest on Debentures .....	12,344.74	Premium on Stock .....	646.00
Commissions and Exchange .....	1,388.75	Earnings on Mortgages, Government, School and Municipal Bonds, etc. ....	83,458.70
Expenses, including Provincial and Municipal Taxes, Government War Taxes, Salaries, Rentals, Printing, Advertising, etc. ....	14,830.22		
Donated to Patriotic and Red Cross Funds .....	525.00		
Dividends No's. 7 and 8 .....	24,153.05		
Carried to Reserve .....	10,000.00		
Carried to Contingent Account .....	1,500.00		
Written off Office Premises .....	500.00		
Balance, Profit and Loss .....	1,225.87		
	<u>\$88,022.74</u>		<u>\$88,022.74</u>

## ASSETS AND LIABILITIES.

Assets.		Liabilities.	
Mortgages .....	\$ 591,646.58	TO THE PUBLIC:	
Dominion War Bonds, Provincial, Municipal and School Debentures .....	673,134.60	Savings Deposits .....	\$588,646.38
Loans on Securities .....	15,070.00	Debenture Accounts .....	316,081.33
Office Premises and Real Estate .....	47,499.32		<u>\$ 904,727.71</u>
Cash on Hand and on Deposit .....	80,780.66	TO THE SHAREHOLDERS:	
		Capital Stock paid .....	\$415,366.43
		Dividend No. 8 payable January 2, 1918. ....	12,311.15
		Reserve Fund .....	70,000.00
		Contingent Account .....	4,500.00
		Balance Profit and Loss .....	1,225.87
	<u>\$1,408,131.16</u>		<u>503,403.45</u>
			<u>\$1,408,131.16</u>

P. V. WILSON, Manager.

To the President, Directors and Shareholders of The Waterloo County Loan and Savings Company.  
Gentlemen,—We beg to report that we have made a regular monthly audit of the books of account and vouchers of your Company for the year ending 31st December, 1917, and that we find the same correct and according to the statements herewith submitted. In our opinion the balance sheet referred to in this report is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs as shown by its books.  
Respectfully submitted,

J. M. SCULLY, F.C.A., }  
J. SCULLY, } Auditors.

Waterloo, Ont., 17th January, 1918.