

ANNUAL REPORTS

BRITISH MORTGAGE LOAN COMPANY

SHAREHOLDERS' ANNUAL MEETING.

A Flourishing Financial Institution—A Better Showing Than Ever—\$10,000 Again to Reserve and Other Surpluses—Demand for Seven Per Cent Dividends.

The thirtieth annual general meeting of the shareholders of our local flourishing financial institution, the British Mortgage Loan Company of Ontario, was held in the company's offices, Downie Street, on Thursday afternoon last, at which there was a good attendance. The President, Mr. John McMillan, was in the chair, and the manager, Mr. W. Buckingham, was called on to act as secretary. The other shareholders present were:—Mrs. J. A. Bothwell, Mrs. J. C. Robinson, Mrs. W. R. Hamilton, Mrs. Fred. Dutton, Miss Catherine Crerar, Miss Catherine J. Fraser, Miss Agnes Smith, Miss Agnes Douglas, Thos. Burden, I.O.O.F., Bowmanville; Robert Patterson, (Master Mechanic, G.T.R.), James Trow, Andrew Johnston, James Pringle, G. G. McPherson, K.C., J. W. Scott, (Listowel); William Spence, John Brown, Hon. Nelson Monteith, W. Maynard (Manager of Canadian Bank of Commerce), Robert Morton, (Hamilton); John Parker, H. M. Johnson, J. W. Brown, Thomas Ballantyne, J. A. Davidson, B.A., Joseph Baxter, James Crerar, Theodore Parker, John McIntyre, Duncan Forbes, F. Buckingham.

The report of the directors was read, accompanied by the usual statement, duly audited and certified, of receipts and disbursements, assets and liabilities, showing an addition to the reserve fund of \$10,000, and the sum of \$7,190 to the credit of profit and loss account, with again no loss whatever on the investments and no loans in default. The report was as follows:—

Thirtieth Annual Report of the British Mortgage Loan Company of Ontario, for the Year 1908.

Congratulations are once more in order on our having added another year of prosperity to the many previous years of successful effort. Again, \$10,000 has been placed to the reserve fund, and again an addition has been made to the credit side of the profit and loss account. At the end of 1896 the reserve stood at \$90,000. In the twelve subsequent years, \$10,000 has been annually placed to the credit of the fund, or \$120,000 in all, making the total on December 31st, 1908, the comfortable sum of \$210,000. In the same period of time (from 1896 to 1908) the profit and loss (with some yearly fluctuations in the amounts) has experienced a substantial growth from \$295.59 in 1896, to \$7,190.48 in 1908. The increase to the profit and loss in 1908 was \$850. While these augmentations went on, there was divided among the shareholders six per cent. on their capital. The paid-up capital still remains at \$447,110, no additions having been made to it in 1908, and as the total issue is \$450,000, but little more can be paid in.

To some extent the payment of a larger dividend asked for by some of the shareholders at past annual meetings has been retarded by the payment to depositors of three and one-half per cent., instead of the former rate of three per cent., making them the first to participate in the benefits accruing from the better rates obtained from mortgage loans. Loans on stocks or debentures there are none. Our entire investments are still on real estate in Western Ontario, the best class of security in the world.

There was a greater sum on deposit at the end of 1908, but a smaller sum in debentures, the total of this class of money aggregating \$689,861, a slight difference, as compared with 1907, of only some five thousand dollars. The total assets of 1908 were a little over the assets of 1907.

Towards the close of 1908 the people's savings with us showed a larger average than during the former part of the year, and this increase has so far continued. There are many other indications that the dull times complained of in 1906 and 1907 are passing away, and that a more cheering financial era is at hand. We are glad to find that the farming community, on whom we chiefly rely, are basking in the dawn of the brighter day. They are our depositors, the purchasers of our debentures, the holders of our stock.

The universally lamented death of the Hon. Thomas Ballantyne, the president, at the close of June, deprived us of the counsels of a true and upright man, who had given more than thirty years of continuous work to our service, and had done his share with others in rescuing the company

from the enfeebled condition it was in when it was brought here in 1877, and in setting it firmly on its feet. Mr. Ballantyne died full of years and honors. His seat on the board was accepted by the Hon. Nelson Monteith, who, like himself, is a representative of the agricultural interests; the vice-president, Mr. John McMillan, whose valuations of properties has for so many years kept us safe from losses, was made president, and Mr. John Brown became vice-president. It was felt that these changes, consequent upon Mr. Ballantyne's loss, would meet with the approval of the shareholders.

By little and little, in dull times and in good, occasion, whenever it came, was taken by the hand, to the building up in our midst of a strong company, worthy the confidence of all classes of the community.

JOHN McMILLAN,

President.

Stratford, January 28th, 1909.

The president, in moving the adoption of the report and the statement, said they had never met on a more favorable occasion in the history of the company. The report of the directors spoke for itself, so far as it went, but it might have gone farther, and shown, what the fact was, that during all these years there had never been a dollar of loss on the large amount of the investments. The report gave him some credit for protecting the company as its valuator of properties offered as security for advances of money, but he was ably seconded by a good and careful manager, who was constantly looking over the big mortgage ledger to discover whatever weak spots might from time to time present themselves, so as to make every investment at all times secure. Only the high-class properties received attention, the undesirables being rigidly rejected, and no money was loaned, except the applications, in every case, were accepted by all the members of the executive committee, and approved by the manager. He thought the time was close at hand, if it had not actually arrived, when, with reserves so strong as to be practically fifty per cent. of the capital, the shareholders should receive a higher rate of dividend.

The vice-president seconded the resolution in a congratulatory speech, and urged the shareholders to help the company to make dividends and add to its surplus, by inducing their friends to deposit with their own home institution, which gave a high rate of interest on daily balances and absolute security, the investments being in land, which could not run away, and about two dollars of resources for one of public liability. The rates of interest on money loaned had during the year been satisfactory, but with money becoming so plentiful, even though these rates might not be maintained, he still thought we could afford to pay seven per cent. dividends.

Mr. Scott maintained that the Company's business block was worth nearly double what it was credited with as an asset, so that in his opinion, with the profit and loss money, there was already a surplus of fully fifty per cent., and the payment of seven per cent. dividends should be no longer delayed.

Hon. Nelson Monteith, although for a very long time a stockholder, expressed the pleasure he felt in being present for the first time at an annual meeting, to hear so excellent a statement of the year's business. He thought, however, that the payment of a seven per cent. dividend required most careful consideration at the directors' hands, if it would have the effect of reducing the \$10,000 annually placed to the rest.

Mr. Trow said the company was on a sound basis in every respect, and could well pay seven per cent.

Mr. McPherson, K.C., remarked that it was the old, old story of progress. Indeed, it was clear to his mind that they might last year have added, with net earnings and the surpluses, \$15,000 instead of \$10,000 to the rest.

Lead chiefly by Mr. Ballantyne, Mr. Patterson, Mr. McPherson and Mr. Scott, considerable discussion ensued, centred for the most part on the contention for the declaration of 7% dividends, commencing at once, accompanied with much commendation of the management in having brought the affairs of the company into this satisfactory and successful condition. The manager gave an encouraging view of the situation, with the reserve in itself of forty-seven per cent. of the capital, the business block admittedly placed at a conservative figure on the asset side of the account, and a surplus to the credit of profit and loss of \$7,190, but joined with Hon. Nelson Monteith in requesting the shareholders to "make haste slowly," in respect of the division of a larger amount of the net profits. He would like, he said, to see the actual reserve brought up to at least fifty per cent., apart from the other surpluses, and thought that by continued good management this might almost be accomplished before an-