

Our safe deposit department shows an increase in box rents for the year, but our storage branch was not so largely patronized during the summer. No doubt this department feels the general economy of the times, as well as other branches of business. After allowing for wages, light, etc., the safe deposit vaults yield at present about 9 per cent upon our investment, which is a fairly good return.

The report was then adopted, and the usual resolutions passed. The election of the directors was then proceeded with, Messrs. Emilius Jarvis and Frederick J. Stewart being appointed scrutineers, who reported the unanimous election of the following directors:—

Hon. J. C. Aikins, J. L. Blaikie, Sir R. J. Cartwright, Wm. Cooke, Hon. J. P. Gowan, Wm. Hendrie, J. J. Kenny, Matthew Leggat, Thos. Long, Chas. Magee, Alexander Manning, Hon. Peter McLaren, W. D. Matthews, B. B. Osler, E. B. Osler, Hugh Ryan, John Stuart, Hon. S. C. Wood.

At a subsequent meeting of the board the Hon. J. C. Aikins was re-elected president, and Sir R. J. Cartwright and Hon. S. C. Wood re-elected vice-presidents.

#### WESTERN CANADA LOAN AND SAVINGS COMPANY.

The thirty-second annual meeting of the shareholders of the Western Canada Loan and Savings Company was held at the company's offices, 76 Church street, Toronto, yesterday. The following report and financial statements were read:

##### REPORT.

The directors have much pleasure in laying before the shareholders the thirty-second annual report of the business of the company.

The profits of the year, after deducting all charges, and writing off, as was considered prudent, a sufficient sum to cover any depreciation in the value of real estate, amount to \$172,197.80.

Out of this sum have been paid the usual half-yearly dividends, at the rate of ten per cent. per annum, together with the income tax thereon, amounting to \$152,386.41, and the balance has been carried to the credit of the contingent fund.

The amount now standing at the credit of that fund is \$70,445.90.

The Reserve Fund remains at \$770,000.

The repayments on account of mortgage loans have been, on the whole, satisfactory; and when in any case it has been considered desirable to grant some indulgence, and extend the time for payment, the security has invariably first been again specially reported upon.

The debentures of the company falling due during the year have been more generally renewed than in any former year; and the directors have had no difficulty in obtaining new money at a lower rate to replace any debentures which were not renewed.

The total amount of moneys entrusted to the company by British and Canadian investors is now \$4,480,193.24.

The balance sheet and profit and loss account, together with the auditors' report, are submitted herewith.

G. W. ALLAN,  
President.

#### FINANCIAL STATEMENT OF THE WESTERN CANADA LOAN AND SAVINGS COMPANY FOR THE YEAR ENDING ON 31ST DECEMBER, 1894:—

##### Liabilities.

To shareholders—	
Capital stock .....	\$1,500,000 00
Reserve fund .....	770,000 00
Contingent account .....	70,445 90
Dividend, payable 8th Jan., 1895 ..	75,000 00
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To the public—	
Debentures and interest .....	\$3,450,300 81
Deposits .....	1,029,892 43
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Sundry accounts, including coupons outstanding .....	578 90
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	\$6,896,218 04

##### Assets.

Investments .....	\$6,686,760 88
Office premises and furniture, Toronto and Winnipeg .....	106,606 50
Cash on hand and in banks .....	100,850 66
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	\$6,896,218 04

#### PROFIT AND LOSS ACCOUNT.

Cost of management, viz., salaries, rent, inspection and valuation, office expenses, branch office, agents' commissions, auditors' fees, etc. ....	\$ 52,046 61
Directors' compensation .....	3,610 00
Interest on deposits ..	42,343 23
Interest on debentures ..	139,604 83
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Net profit for year applied as follows:	\$237,604 67
Dividends and tax thereon .....	\$152,386 41
Carried to contingent account .....	19,811 39
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	172,197 80
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Interest on mortgages and debentures, rents, etc. ....	\$409,802 47
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	\$409,802 47

WALTER S. LEE,  
Managing Director.

TORONTO, 8th February, 1895.

To the Shareholders of the Western Canada Loan and Savings Company:

GENTLEMEN,—We beg to report that we have completed the audit of the books of the Western Canada Loan and Savings Company for the year ending 31st December, 1894, and certify that the annexed statements of assets and liabilities, and profit and loss, are correct, and show the true position of the company's affairs.

Every mortgage and debenture or other security has been compared with the books of the company. They are correct, and correspond in all respects with the schedules and ledgers. The bank balances and cash are certified as correct.

W. R. HARRIS,  
FRED. J. MENET,  
WM. E. WATSON, F.C.A.,  
Auditors.

The president then said:

The report which has just been read, and which it is now my duty to propose for your approval and adoption, and the financial statement which accompanies it will, I trust, enable all our shareholders to understand clearly the present position of the company.

I venture to hope that the more thoroughly these statements and figures are examined by you, the better you will be satisfied as to the soundness and stability of the company, and the care and judgment with which its affairs have been administered.

The satisfactory earnings of the year have enabled us, after providing for all charges and expenses, and writing off a sufficient sum to provide for any actual or probable losses from the depreciation of real estate, to pay our usual dividend of ten per cent. to our shareholders.

There is no doubt that the present time calls for the exercise of special care and judgment on the part of all institutions loaning money on real estate. As you all know but too well (for what investor in these times has not had some such experience), in spite of the utmost care and caution unlooked for changes occur, which affect what, at the time they were taken, were looked upon as properties offering the most undoubted security.

In dealing with all such cases, I think that we can claim that the directors have exercised a wise and conservative policy, in neither carrying forward nor taking credit for any amounts which could fairly be considered doubtful and not likely to be realized, but have applied the pruning-knife without hesitation to the extent of closing out some twenty-eight accounts, making a charge of \$27,827 on the contingent account, and if, as one of the results, that account shows somewhat reduced figures, the shareholders may feel satisfied that by the policy which has been adopted, the company stands on such safe and solid ground as entitles it to the thorough confidence of its shareholders.

In regard to our current mortgages, as stated in the report, the payments have been upon the whole satisfactory, and considering the prevailing depression of 1894, I think we might almost have used a stronger term, and said very satisfactory.

In the case of parties who had fallen behind in their payments, or who asked for an extension of time, we have not hesitated where a

careful inspection showed that the property was not deteriorating in value, and the mortgagors themselves were making honest efforts to meet their engagements, to show them every reasonable indulgence, and in this we are sure we shall have the approbation of the shareholders.

To turn now to the company's borrowings, the report alludes to the very general renewal of the company's bonds in Great Britain, and I think it is a matter of great satisfaction for us in Canada that, notwithstanding the shock which it was feared would be given to all colonial securities by the financial difficulties in Australia and New Zealand, Canadian securities still hold their own in the British market. This company was again and again offered very considerable sums for investment in our bonds during the last summer, much beyond what the limits imposed upon our borrowing powers would allow us to accept. The renewals of bonds which matured last year were, as already stated, more general than in any previous year, and I may mention that among them were bonds, originally issued for five years, which dated back a quarter of a century, and I think it may be claimed as a strong proof of the estimation in which our debentures are held that investors should prefer to renew again and again, each fifth year generally at a lower rate of interest, rather than give up the investment.

In connection with this branch of the company's business, I desire to express, on behalf of the directors, our strong sense of our obligations to our agents in Great Britain, Messrs. Bell, Cowan & Company, of Edinburgh, for the untiring zeal and energy with which they have sought on every occasion to promote the company's interests, and also for the very valuable counsel and advice which they have always freely afforded us in connection with our debenture business. Before passing from the subject of our debentures I may mention a circumstance which may be of interest to the shareholders. The total amount entrusted to the company for investment, both British and Canadian, is now \$4,480,193; but it is to the increase in the number of Canadian investors in the company's bonds that I wish to call your attention. In 1893 the total amount of bonds held in Canada was \$382,315; in 1894 it had come up to \$470,328, showing an increase of \$88,000 within the last year, and I think there is every prospect of the demand increasing, both with advantage to the company and to the country. We have, moreover, very satisfactory evidence of the estimation in which the standing of this company is held, in the fact that large blocks of our debentures have been purchased by insurance companies, some for deposit with the Canadian Government.

As most of our shareholders are doubtless aware, the company's office premises in Winnipeg were destroyed by fire in the month of November last. I am glad to be able to state that all our books, titles, and securities were found in perfect order when the vaults of the building were opened. The building was amply covered by insurance, and the insurance companies met us in a very liberal spirit, and have paid the ascertained loss in full. As rebuilt in accordance with the present plans, the new building will be in many respects better and more conveniently arranged, and the part not required by the company will doubtless again be rented on such terms as will bring in a handsome revenue. I may take this opportunity of stating that our business in Manitoba continues to be very ably and carefully conducted by our manager, Mr. Fisher, who is also very fortunate in having the assistance of a very able and efficient staff of inspectors.

And now, gentlemen, in looking forward to the future of the Company, there are two important questions which at once suggest themselves. First, may we reasonably hope that the wide-spread commercial and financial depression which has so long prevailed, not merely in Canada, but over the whole Continent, is beginning to pass away, and that as a consequence land values, both as regards farm lands and town property, will again rise to something like their old figures? And, in the second place, are the low rates of interest now prevailing likely to become permanent, or even to have a more downward tendency, and so render it more difficult for investors, either companies or individuals, to employ their money as profitably as hitherto? Now, on both these points we have within the last few weeks seen in the public papers the published reports of the views of many of our leading business men. While all