

Messrs. I. D. Bowman and Thomas Hilliard were appointed auditors for the current year. A hearty vote of thanks was passed and tendered to the officers and agents of the company for their efficient services during the past year. The board of directors met at the close of the annual meeting and re-elected I. E. Bowman, president, and John Shuh, vice-president. P. H. Sims, Secretary. I. E. BOWMAN, President.

LANDED BANKING AND LOAN COMPANY.

The eleventh annual meeting of the shareholders of the Landed Banking and Loan Company, of Hamilton, was held at the company's offices, 3 James street, at noon, on the 15th instant.

The president, Mr. M. Leggat, occupied the chair, and Mr. Samuel Slater was appointed secretary of the meeting.

The following gentlemen were present: Josias Bray, Thos. Bain, M.P., Robert Campbell, William Carey, W. F. Findlay, Rev. Geo. Forneret, Alex. Gaviller, Robert Hall, R. A. Kennedy, H. H. Laing, J. J. Mason, P. S. Malloch, Wm. Marshall, F. Mackelcan, Henry McLaren, John Porteous, W. A. Robinson, Glen Rae (Burlington), S. L. Seaman, John Waldie. The business of the meeting was opened by the chairman reading the notice calling the meeting.

The minutes of the previous annual meeting were read by Mr. Slater and approved.

REPORT.

The directors of the Landed Banking and Loan Company beg to submit herewith their eleventh annual report, showing the results of the company's operations for the year ended Dec. 31, 1887, accompanied by the usual financial statements, duly audited.

The net profits for the year, after defraying the expenses of management, payment of municipal taxes, providing for all interest charges, and meeting all losses realized during the year, amount to.....\$43,076 76 To which add the balance brought forward from the previous year... 357 25

\$43,434 01

This amount has been appropriated as follows, namely:

Two half-yearly dividends paid at the rate of six per cent. per annum.....\$32,176 33 Added to reserve..... 10,000 00 Balance carried forward to next year 1,257 68

\$43,434 01

A better demand for money has been experienced during the year, and the funds have been kept employed at slightly higher rates. Your directors have been able to pay the usual half-yearly dividends to the shareholders, and again add the sum of \$10,000 to the reserve fund, which now amounts to \$70,000. Repayments from borrowers have been satisfactory.

New loans were accepted amounting to \$330,130, of which \$324,485.65 was disbursed to December 31; the repayments on loans were \$288,456.76; and the net cash value of the company's securities at the end of the year \$1,365,688.48, an increase over the previous year of \$118,502.59.

The savings bank deposits increased \$81,452.12; the receipts from shareholders on account of capital stock were \$30,694.56; debentures were retired to the amount of \$80,300 and others issued, on more favorable terms, for \$77,250, a decrease under this head of \$3,050; the net results being an addition to the working capital of \$109,096.68.

The system of inspection, by the company's inspector, of all properties offered as security for loans is continued with satisfactory results.

The securities of the company have been carefully examined by two of your directors.

The treasurer and other officers of the company have continued to discharge their respective duties in a satisfactory manner.

All of which is respectfully submitted.

MATTHEW LEGGAT, President.

GENERAL BALANCE SHEET.

Assets.

Cash value of securities.....\$1,365,688 48 Cash on hand..... 1,108 57

\$1,366,797 05

Liabilities.

To the public— Savings bank deposits.....\$ 471,197 94 Debentures..... 233,129 10 Interest accrued but not due.... 6,289 32 Sundry unpaid accounts..... 556 94 Bankers..... 15,744 42

\$ 726,917 72

To the shareholders — Permanent stock.....\$ 523,100 00 Accumulating stock..... 18,917 26 Interest on accumulating stock.. 7,940 14

\$ 549,957 40

Reserve fund, Dec. 31, 1886..... 60,000 00 Added Dec. 31, 1887..... 10,000 00

\$ 70,000 00

Contingent fund..... 3,000 00 Dividend No. 21, on permanent stock due Jan. 3, 1887..... 15,664 25

Balance carried forward..... 1,257 68

\$ 639,879 33

\$1,366,797 05

PROFIT AND LOSS ACCOUNT.

Dr.— Dividend No. 20 on permanent stock.....\$14,906 94 Dividend No. 21 on permanent stock..... 15,664 25 Interest on accumulating stock dividend No. 20..... 825 89 Interest on accumulating stock dividend No. 21..... 779 25

\$32,176 33

Interests on deposits..... 20,021 47 Interest on debentures..... 13,066 16

Expenses of management, including salaries and office expenses, directors' and auditors' fees.... 6,327 85

Land inspection, including inspector's salary..... 2,436 29

Rent and taxes..... 1,612 50

Valuator's commissions..... 1,813 80

General interest..... 244 25

Solicitors' fees..... 19 23

Debenture expense..... 105 00

Transferred to reserve fund..... 10,000 00

Balance carried forward..... 1,257 68

\$89,080 56

Cr.— By balance brought forward.....\$ 357 25

By interest earned..... 87,581 38

By sundries..... 1,141 93

\$89,080 56

SAMUEL SLATER, Treasurer.

We, the undersigned, have audited the books of the Landed Banking and Loan Company for the year ending Dec. 31, 1887, and certify that the foregoing statements are in conformity therewith.

We have also examined the securities held by the company, and found them correctly set forth in the securities book.

W. F. FINDLAY, } Auditors.
WM. MARSHALL, }

Hamilton, Feb. 9, 1888.

The President said: I have much pleasure in moving the adoption of the report. A printed copy of it is before you, which I presume you have all read and examined. I think I may congratulate the shareholders on the favorable condition which it presents of the company's progress and prospects. During the past year our business has continued to show a steady growth and improvement. The financial result of the year shows that, after having paid the usual dividend of 6 per cent., the sum of \$10,000 has been added to the reserve fund and \$1,257.68 has been credited to the profit and loss account for the next year. The demand for money has continued active during the year, so that our funds have been fully employed. The rate of interest has continued low during the year until towards the latter part of it, when, from various causes, a financial stringency set in and dearer money became the order of the day. We have lately found no difficulty in investing our funds at a more remunerative rate than has been current for a considerable time. It is gratifying to observe the increased volume of our business. Our new loans for the year just closed amount to \$333,130. The interest and repayments of

principal by borrowers have been met with commendable promptitude, and the sum of \$288,456.76 has been received from that source. We have received from shareholders on account of capital stock, \$30,694.56, and the savings' bank deposits show an increase of \$81,452.12. The number of our depositors which was last year 787, has increased to 899. Our debentures have increased \$3,050; \$80,300 has been paid off and \$77,250 issued at a lower rate of interest. At the close of our financial year the securities of the company amounted to \$1,365,688.48, showing an increase over the previous year of \$118,502.

These results, gentlemen, are considered to be an encouraging indication of the progress the company has made during the year, also an evidence of the public confidence in the stability of our institution, and of the capable manner in which its affairs have been managed. An analysis of the profit and loss account shows that the gross profits, after deducting the cost of our borrowed money, was \$55,635.68, and that our net profits, after further deducting the costs and charges of managing the business are \$43,066.46, being equal to 8.79 per cent. on our average paid up capital. These net earnings, together with the balance brought over from last year, have been appropriated as stated in the report by paying the dividends of the shareholders and increasing our reserve fund from \$60,000 to \$70,000, and carrying forward \$1,257.68.

You will be asked at this meeting to confirm by-law No. 29 as amended by the directors, the purport of which is to authorize the directors when mortgage properties have to be sold to collect in addition to the principal, interest and legal charges, all costs which may be incurred in negotiating the loan.

Before resuming my seat allow me to refer to the death of Dennis Moore, our esteemed colleague, who was a director of this company since its formation. I need not remind you, gentlemen, that he was always in his place at the board, and that to his good sense and mature judgment a great deal of the success of this company is to be attributed. The remaining directors elected Thos. Bain, M.P. for North Wentworth, to take his place during the balance of the year.

If any of the shareholders wish to ask me any questions, I shall be happy to afford them any information they require. I beg to move the adoption of this report:

Mr. John Waldie, of Burlington, vice-president of the company, in seconding the adoption of the report, said: "The president has explained to you that steady progress of the company during the past year, and unquestionably you all feel that it is a very solvent concern. We desired to see this company get such a volume of business that the expense of management would be reduced to the smallest percentage. We have reached the sum of one and a third millions, and the expenses are now less than 1 per cent, which is a very satisfactory state. Before this we could not manage the business at a smaller percentage than it is now being managed, and I think the president and directors should take credit that the cost of management this year, though the business is larger, is less in amount than the expenses of last year. Great care has been taken in keeping down the expenses by the president and his colleagues. There is another matter which I think proper to bring to your notice, which is, that the assets, the mortgages and investments have been carefully looked through by your president, assisted by myself. Not only did we go through them in detail, but every director on the board gives careful attention to the assets. A business of this character cannot avoid having a property fall into its hands not up to value. In this country there are rises and falls in the values and we are subject to these incidents common to the country. Several such properties have fallen into our hands during the past year. Sales of them have been promptly made, and whatever small percentage of loss was incurred was written out of the earnings of the year. That is the principle on which the management of the company has been carried on. We have not touched the contingent fund, as you will see. It is still available and has remained so from the time we placed it there. I think the system we have adopted is one that will, I think, receive the approbation of the shareholders.

The report, with the subjoined financial statement was then adopted.