

ations. During the year, agencies have been opened up in the principal cities and towns in the West. The company has already gained the confidence of the public, and is recognized as one of the leading financial institutions of the West. Our company, having its head office and directors in the West, is enabled to negotiate loans on the shortest possible notice, which has proven a great convenience to the borrowing public.

Our loaning system offers many advantages to borrowers; and, in fact, it has become so popular that it has been utterly impossible for the company to accept more than a small portion of the applications received. As a result, only the very best loans have been accepted; and these bear a very remunerative rate of interest.

The payment of principal and interest has been prompt and satisfactory, which is evidenced by the report submitted.

By referring to the report you will notice that the company has loaned on first mortgages \$156,200. These mortgages are upon improved city and town property in small average amounts, and upon ample margin of value; and under a system whereby a portion of the principal is repayable monthly. Each month, consequently, sees the borrower's debt less, and the company's security greater. The company does not lend any money for speculative purposes. There is no known security better than first mortgages, under these circumstances judiciously selected. Each loan is covered by ample insurance, to guard the company against possible loss through fire.

You will observe by referring to the report, that after paying and providing for two half-yearly dividends at the rate of seven per cent. per annum on the fully-paid permanent stock, and crediting the different classes of stock with the required amounts to mature them, there remained to the credit of profit and loss account a balance of \$27,767.21, which was transferred to the reserve fund.

Possibly the most interesting item to the shareholders which appears in the report, is the reserve fund, which stands at \$27,767.21. Your directors feel entitled to congratulate the shareholders and all who are interested in the company, that they have been able to transfer such a handsome amount to the reserve fund, and wish to express their appreciation of the assistance which they have received from the shareholders in establishing the company's business during the past year, and the directors feel confident that the shareholders will, in the future, co-operate with them, to make the company a pronounced success.

The board wish to express their entire satisfaction with the manner in which the officials have performed their duties.

W. T. ALEXANDER, President.

#### STATEMENT OF ASSETS AND LIABILITIES LOAN FUND AS AT DECEMBER 31st, 1903.

##### ASSETS.

Real estate loans—First mortgage .....	\$156,200 00
Interest due and accrued on loans .....	405 22
Sundry accounts due company (secured) .....	180 90
Charter and license account .....	197 50
Office furniture and fixtures .....	1,810 97
Cash on hand .....	1,773 70
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	\$160,574 29

##### LIABILITIES.

Permanent Stock, "A" and "B" with accumulations.	\$107,265 69
Withdrawable Stock, "C" and "D" with accumulations .....	3,030 23
January 1st, 1904—Dividends "A" .....	2,268 58
January 1st, 1904—Dividends "B" .....	101 48
January 1st, 1904—Dividends "C" .....	11 65
Loan repayments .....	7,274 42
Amount due on uncompleted loans .....	9,250 00
Amount due company's bankers .....	3,268 18
Accounts payable .....	184 85
Contingent account .....	212 00
Reserve fund .....	27,767 21
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	\$160,574 29

W. T. ALEXANDER,  
President.

E. S. POPHAM,  
Vice-President.

#### PROFIT AND LOSS ACCOUNT.

##### Dr.

Accumulations credited on permanent and withdrawable stocks .....	\$1,524 92
January 1st, 1904—Dividends "A" .....	2,268 58
January 1st, 1904—Dividends "B" .....	101 48
January 1st, 1904—Dividends "C" .....	11 65
June 1st, 1903 (paid) "A" .....	669 72
Interest paid during 1903 "B" .....	32 07
Interest paid on overdraft .....	44 05
Commissions, brokerage, etc. ....	1,193 48
Transferred to reserve .....	27,767 21
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	\$33,613 16

##### Cr.

Interest on mortgage loans, premiums, transfer fees, and sundry earnings .....	\$32,041 56
Transferred from expense account .....	1,571 60
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	\$33,613 16

#### AUDITORS' STATEMENT.

We, the undersigned, beg to report that we have made a full examination of the books, accounts and vouchers of the Great West Permanent Loan and Savings Co. to the 31st December, 1903, and find the same to be correct and properly set forth in the above statement.

A detailed audit of the cash receipts and disbursements with vouchers has been made and found correct. The securities for loans, as above shown in the hands of the company, have been carefully scrutinized, and compared with the detailed list of mortgages, and found correct.

E. M. COUNSELL,  
STEWART MULVEY,

Auditors.

The president, in moving the adoption of the report, said:

It is with unqualified pleasure that I move the adoption of the report, when we remember that for this company 1903 has been the organization year, during which time it could not be expected we could do very much more than put our company in order. The report, I think, is unprecedented in the history of such institutions in Canada.

Having made this start, I venture to say that we shall go forward with much greater progress during the year upon which we have just entered. Indeed, it is right to inform you that our company has now subscribed capital of \$611,500, and we have applications coming in for stock by nearly every mail. I may say that the company has established a record for Canadian loan companies of a similar nature, having a larger amount of paid-up capital than fifteen of the principal loan companies organized in Canada had at the end of their first year's operations.

I may say that our faith has never faltered the slightest in the success of our company. Our plans are so easily comprehended and just, that it is not very wonderful that the public generally has endorsed the position we have taken in this regard. In fact, the Great West has already made friends all over the North-West; friends who are constant, enthusiastic and determined to join together so far as they can to make the company the greatest possible success.

The result of the past year's business will, I feel assured, be regarded with satisfaction by the shareholders of the company. The report of the directors now placed before you for approval, shows the net profits were \$33,613.16, out of which dividends have been paid and accumulations credited and \$27,767.21 carried to the reserve fund.

I feel that it is my duty to inform the shareholders that the company issued no bonus stock. The directors paid the same for their stock as the general public.

The directors have made the very best possible use of the shareholders' money, having kept it loaned out, and never, at any time, have had any large amount in the bank. In fact, in many instances, we have had an overdraft from our bankers.

I consider the company's success is largely due to the fact that our company is purely a Western organization, and that the board of directors are all Western men of sound judgment, well acquainted with the requirements of this Western country, and also to the efficient service rendered by the staff. Repayments on real estate loans amounted to \$7,274.42, a very satisfactory return, when it is considered that all the loans were made in 1903.

By referring to the report, you will notice that the company has loaned on first mortgages \$156,200. The company's charter does not authorize speculating in any kind of securities, and this law is always strictly adhered to. Such business at times may yield large profits, though at times it may result in large losses. First mortgages on approved real estate are recognized to be the best security that can be had.

The rapid development going on in Manitoba and the North-West Territories has opened up a wide and inviting field for lending on first mortgages at very remunerative rates of interest. The organization possessed by this company for doing this business, the safety and accurate knowledge is very thorough; and so great is the rush of settlers into this country, that for many years money will be required to assist in the erection of buildings, and in making many permanent and useful improvements. The number of new settlers during the last two or three years has been very great, and a great many of them will require assistance in building homes.

Winnipeg, our own city, steadily increases in population and wealth. The new City Directory for 1904 shows an increase in population of 13,744, which indicates a population of about 63,000. I cannot but think that this is an over-esti-