

The next item, "Debts secured by mortgages and otherwise," \$99,190.42, consists of undoubted securities held at Head Office and branches. Then "Overdue debts not specially secured" (estimated loss provided for), \$13,490.04, needs no explanation. "Real estate (not bank premises) and mortgages on real estate," \$50,669.44, is an altogether undoubted asset. The last item to be considered is "Bank premises and bank furniture in the Provinces of Quebec and Ontario," \$169,833.78. This is well represented by the banking houses in Quebec, Ottawa, Toronto, and Three Rivers, held in fee simple.

I have endeavoured, gentlemen, to give you, as far as time would permit, an exposition of the affairs of the bank, and shall be pleased to answer any question that may be asked touching the statements which have been submitted to you.

The adoption of the report was moved by the president, seconded by Mr. Withall, and carried.

A vote of thanks to the president and directors was passed, upon motion of Mr. J. W. Henry, seconded by Mr. J. H. Simmons. The general manager, inspector, managers, and other officers of the bank also received the thanks of the meeting, a motion to that effect being moved by Mr. R. Brodie, seconded by Mr. P. Johnston.

A ballot was then opened for the election of directors, and the chairman named Messrs. J. H. Simmons and T. H. Norris scrutineers.

After the passage of a vote of thanks to the chairman the scrutineers reported, as the result of the ballot, the following gentlemen elected directors for the ensuing year:—Sir N. F. Belleau, K.C.M.G., and Messrs. R.H. Smith, W. Withall, J. R. Young, G. R. Renfrew, S. J. Shaw, and John T. Ross.

FREEHOLD LOAN AND SAVINGS CO.

The annual meeting of shareholders in the Freehold Loan and Savings Co. was held at the company's office, Toronto, on the 3rd of June.

The following gentlemen were present:—Messrs. W. F. McMaster, Chevalier MacDonell, William Elliot, Eli Hyman, Henry Lamport, John Wilson, W. W. Jones, Samuel Risley, T. S. Stayner, Robert Gilmore, Wm. Anderson, William Spry, A. T. Fulton, C. H. Gooderham, James Scott, Philip Browne, Josiah Bray, Alexander Smith, Alexander Wills, George W. Lewis, Henry Pellatt, Wm. Cook, John Stark, Paul L. Allen, George Robinson, Henry Swan, and Patrick McGee.

Mr. A. T. Fulton, the president, occupied the chair, and Hon. S. C. Wood, acting secretary, read the annual report and financial statement.

REPORT.

The directors beg to submit their thirty-first annual report.

The operations of the year have been very satisfactory. The profits, after deducting all charges, amount to \$153,330.21, and after paying two half-yearly dividends of five per cent. each, \$21,638.55 have been carried to Contingent Account.

The amount loaned on mortgage security during the year is \$1,068,238, and the repayments by borrowers amount to \$1,135,017, of which the large sum of \$281,034 has been on account of loans in Manitoba.

The demand for money has continued good throughout the year, and the prevailing rates have been very fair.

The deposits and debentures of the company, including interest, amount to \$4,039,362.92, constituting the total liability to the public, for which the company holds the following security:

Mortgages on real estate, municipal bonds, office premises, etc. \$6,108,280 58
Unpaid subscribed stock..... 1,904,400 00

Making a total of \$8,012,680 58
Being nearly four millions in excess of the liabilities.

The books, vouchers, and securities of the company have been carefully examined by the auditors, whose reports are hereto appended.

S. C. Wood, Alex. T. Fulton,
Manager. President.

Toronto, 3rd June, 1890.

LIABILITIES AND ASSETS, 30TH APRIL, 1890.

To the Public:
Deposits \$ 786,417 70

Debentures, currency	712,063 00
do. sterling.....	2,461,996 32
Interest on above	79,385 90
	\$4,039,862 92
To the Shareholders:	
Capital.....	1,317,100 00
Reserve	\$621,058 00
Reserve premium on new stock	7,860 00
	628,918 00
Contingent.....	\$43,926 78
Written off. 9,020 67	
	\$34,906 11
Added this year.....	21,638 55
	66,544 66
Dividend due 1st June.....	65,855 00
	\$6,108,280 58

Cr.

By investments:	
Investments	\$5,820,027 20
Dominion land scrip	2,074 53
Corporate bonds ..	2,365 00
	\$5,824,466 73

Property owned:	
Adelaide street.....	\$ 48,853 47
Furniture	1,715 23
	50,568 70

Balances:	
British agents.....	\$ 6,638 94
On hand and in banks	226,606 21
	233,245 15

PROFIT AND LOSS.

Dr.

To interest paid or allowed:	
On deposits.....	\$ 31,619 85
On debentures, currency	35,150 10
On debentures, sterling	102,161 28
	\$ 168,931 23

To expenses, including cost of management, commission, tax on dividends, etc.....	49,282 23
To profits, apportioned as follows:	

Dividends, two half-yearly, five per cent. each	\$131,691 66
Contingent Fund ..	21,638 55
	153,330 21

\$371,543 67

Cr.

By interest on investments, bank balances, rent, etc.	\$ 371,543 67
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\$371,543 67

A. T. FULTON, President.
S. C. WOOD, Manager.

Toronto, 14th May, 1890.

To the president, directors, and shareholders of the Freehold Loan and Savings Company, Toronto:

GENTLEMEN,—We, the undersigned, having examined the securities and vouchers and audited the books of the Freehold Loan and Savings Company, Toronto, certify that we have found them correct, and that the annexed balance sheet is an exact statement of the company's affairs to the 30th April, 1890.

J. SYMONS, } Auditors.
W. E. WATSON, }

To the president, directors, and shareholders of the Freehold Loan and Savings Company, Toronto:

GENTLEMEN,—We, the undersigned, have examined the securities of the Freehold Loan and Savings Company kept in their office in the city of Winnipeg, compared them with the books of the company, and have found them correct.

E. H. TAYLOR, } Auditors.
A. E. FERTE, }

Winnipeg, 1st May, 1890.

The president then moved the adoption of the annual report, and addressed the meeting as follows:

GENTLEMEN,—I have much pleasure in moving the adoption of a report which must be very satisfactory to the shareholders.

It will be noticed that our collections, notwithstanding the low prices of farm produce, have been greater than in any previous year. The demand for money has continued good and the rates fair. So far as can be judged so early in the season, the prospect for good crops in

Ontario is fair. The farmers are going more into stock-raising and dairy-farming. It is true that Ontario is well adapted for grain growing, but it is equally well adapted for mixed farming, and the future prosperity of the farmers of this province will very much depend on their cultivating less acreage of wheat and barley and devoting a larger proportion of their capital and energy to the raising of stock and carrying on of dairy-farming.

It is pleasing to be able to report so large a sum as \$280,000 has been paid back by borrowers in Manitoba, and to add that the prospects in that province were never brighter. Our general agents there, speaking of the crops, say: "Wheat is in a splendid condition throughout the country. So far this has been a model spring, dry, fine weather for the seeding and nice quiet rains for some time past. The farmers are very much encouraged, and certainly have their land in better shape than for many a season. The acreage sown is much larger than last year and every care has been taken in seeding and working the land."

It may be added that during the past year many miles of branch railways have been built and they are being rapidly extended this summer. In the near future every farmer in Manitoba will be within a reasonable and easy distance of a railway station; in other words, the markets for all kinds of stock and farm produce are being located almost at the doors of the enterprising farmers of our Prairie Province.

Under all the circumstances we have had a very prosperous year, having paid a dividend of 10 per cent. and carried over \$21,000 to Contingent Account. The prospects of being able to pay a similar dividend this year are quite as good as they were a year ago. But the board feel they must consider not what may be the probabilities of any one year, but what is for the best interest of the bondholders and stockholders for a number of years. The continued credit and safety of the company should be our care and must be provided for.

Our policy has been to confine our investments to the older and better sections of this province, to avoid poor counties or poor sections of counties. We very rarely make loans on village property, and in towns and cities we confine our operations to the central localities where values are well established. We have avoided loaning in the districts of Muskoka, Parry Sound, and Algoma, where high rates of interest prevail, and for years we have refused to make any advances on manufactories or machinery of any description.

Our motto has been and will continue to be fair rates and good security. It cannot be denied that there has been considerable shrinkage in the values of farms in Ontario. In common with other loan companies our investments have been made with large margins, enabling us, except in a few cases, to avoid loss, notwithstanding the depreciation referred to.

The board have had under consideration whether it may not be advisable to make what may prove to be a temporary reduction in our dividend for the purpose of adding to our Contingent Account and raising our Reserve to 50 per cent., instead of 48 as it stands at present; and they may deem it wise to lower the dividend for the purpose mentioned, although no decision has as yet been arrived at, and no action will be taken without the most careful consideration as to what may be for the best interests of the company and its future prosperity.

Owing to the strike there has been some delay in the erection of our new building. We trust, however, this will not continue much longer.

The adoption of the report was then seconded by Mr. C. H. Gooderham. Resolutions of thanks were tendered by the meeting to the president and directors, and also to the manager and staff.

Messrs. John Symons and William E. Watson were appointed auditors for the ensuing year.

Messrs. Philip Browne, Robert Gilmore, and Henry Pellatt were appointed scrutineers of the ballot for the election of directors, and reported the following gentlemen elected for the ensuing year: Messrs. Alexander T. Fulton, Charles H. Gooderham, W. J. MacDonell, William Elliot, William F. McMaster, Thos. S. Stayner, and Hugh Ryan. At a subsequent meeting of the directors Mr. A. T. Fulton was elected president and Mr. C. H. Gooderham vice-president.