

REPORT OF THE DIRECTORS

OF THE

CANADA PERMANENT LOAN AND SAVINGS COMPANY.

FOR THE YEAR 1889.

The Board of Directors have much pleasure in submitting for the information of Shareholders, the usual duly Audited Statements of the business of the past year, and of the condition of the Company on 31st December, 1889.

From these Statements it will appear that the aggregate transactions again exceed, by a considerable sum, those of any previous year.

There were received on account of Mortgage Loans \$2,310,989; and Loans to the amount of \$2,255,933 were granted. The total sum invested in Mortgages and Debentures at the close of the year was \$11,029,658.

The amounts accepted by the Company for investment were: On Deposit, \$513,541; on Debenture, \$985,889; and on Debenture Stock, \$82,392. The net increase in these items was \$614,074.

The Total Assets exhibit an increase of \$678,716, and at the end of the year amounted to \$11,265,335.

The demand for money was good, enabling the Directors to keep the largely augmented funds of the Company always well employed. The average rate of interest was about the same as in the year previous. In the last few months the money market generally became more stringent, and a slight advance in lending rates took place.

The customary half-yearly dividends of six per cent. each, were declared, on the enlarged Capital Stock. After also charging the Revenue Account with the Shareholders' Income Tax on Dividends, and providing for all items of expense and loss, as well as anticipating possible deductions on properties held for sale, the sum of twenty thousand dollars has been added to the Reserve Fund, which now amounts to \$1,340,000. The Contingent Fund of \$111,415 is considered amply sufficient to protect the Reserve Fund, and guard against any diminution in value not at present foreseen.

From general causes affecting the products of agriculture in Europe and in the United States of America, as well as in Canada, there exists a considerable depression in the market value of farming lands in all these Countries. Since the disappointing results of the last harvest of cereals in Ontario and Manitoba became manifest, this depression has become still more decided. Notwithstanding this, the property in the hands of the Company for sale is less than it was in previous years, when the amount invested was much smaller. It is hoped that more favourable climatic conditions, followed by more abundant crops, may reward the labors of husbandmen during the coming season.

It is with deep regret that the Directors record the demise of an esteemed member of the Board, Mr. William Gooderham. To their appreciation of his earnest interest in the Company's welfare, the Directors desire to join their testimony to his well-known high character as a Christian philanthropist.

Mr. William G. Gooderham was elected to fill the vacancy at the Board.

All which is respectfully submitted.

J. HERBERT MASON,
President.