

## Profit and Loss Statement for Year Ended 31st December, 1917

By Balance brought forward from 31st December, 1916 .....	\$ 98,557.00
By Commissions received for Administering Estates, acting as Trustee, Agent, etc.; Interest on Capital and Reserve; Profit on Guaranteed Funds; Net Rents from Office Buildings, Safe Deposit Vaults, etc. ....	\$621,447.89
To Management expenses, including Directors' and Auditors' fees, salaries, advertising, rents, taxes, etc. ....	320,561.78
Net Profits for Year.....	300,886.11
	<u>\$399,443.11</u>

### Appropriated as follows:—

To Quarterly Dividends, Nos. 83, 84, 85 and 86, at the rate of 10% per annum .....	\$150,000.00
To amount subscribed as follows:—	
Canadian Patriotic Fund ....	\$10,000.00
British Red Cross Society....	1,000.00
Y.M.C.A. Military Fund.....	1,000.00
	12,000.00
To Amount provided for 1917 Federal Income Tax (payable in 1918)....	11,000.00
To Amount written off Head Office Building .....	25,000.00
To Amount transferred to Reserve Fund .....	100,000.00
To Balance carried forward .....	101,443.11
	<u>\$399,443.11</u>

### AUDITORS' REPORT.

We, the undersigned, beg to report that we have made a full examination of the books, accounts and vouchers of The Toronto General Trusts Corporation to 31st December, 1917, and find same to be correct and properly set forth in the above statements of Profit and Loss and Assets and Liabilities.

We have examined, and find in order, all the mortgages, debentures, bonds and scrip of the Corporation, as well as those negotiated for the Supreme Court of Ontario, and Trusts, Estates and Agencies in the Corporation's hands, and we have checked same with the mortgage and debenture ledgers and registers.

The trust investments and funds are kept separate from the Corporation's own securities and funds, and all securities are so earmarked in the books of the Corporation as to show the particular Estate, Trust or Guaranteed Account to which they belong.

The Banker's Balances, after deducting outstanding cheques, agree with the books of the Corporation.

All our requirements as Auditors have been complied with.

We have also examined the reports of the Auditors of the Winnipeg, Ottawa, Saskatoon and Vancouver Branches, and find that they agree with the Head Office books.

R. F. SPENCE, F.C.A., "Can." } Auditors.  
GEO. MACBETH,

Toronto, January 21st, 1918.

The President, the Hon. Featherston Osler, K.C., D.C.L., in moving the adoption of the report, which was seconded by John Hoskin, K.C., LL.D., D.C.L., addressed the Shareholders as follows:—

The financial statements which have been placed in the shareholders' hands showing the results of the year's business will, the Directors feel assured, be received by them with satisfaction.

That the work of the Corporation has been carried on at a high level of efficiency, notwithstanding the present dis-

turbance of business conditions—if one may judge of efficiency by results, as we are fairly entitled to do—is indicated by the facts that out of the net profits for the year the usual dividend is maintained; the sum of \$100,000 added to the Reserve Fund, and an increased balance carried forward to the credit of profit and loss. These facts speak for themselves, and, supported as they are by the reports of the Auditors and the Inspection Committee, need not be further emphasized or enlarged upon. Nor need I go into the details of the work of the Head Office and Branches, as these are fully covered by the statements which have been laid before you and the address you will presently hear from the General Manager.

Perhaps I may usefully direct the attention of the Shareholders to one or two matters of general interest at this time:

**First:** That the investments of the Corporation are always of a legitimate, non-speculative character, vouched as to value as closely as care and caution can insure. The nature of these investments is disclosed in the yearly statutory returns made to the Government, which are open to inspection and criticism by anyone.

**Second:** The Corporation does not borrow money on deposit—indeed, every Trust Company is by law forbidden to do so; nor does it issue debentures, and its Guarantee Investment Receipts—the nearest approach to the latter—are non-assignable and are secured by securities ear-marked and appropriated to each Investor.

While it is inevitable that there should be some shrinkage or default in the payments of interest, these payments, considering the times, have been well kept up, and the very moderate extent to which the Corporation has been affected by the Moratorium Acts is indicative of the care taken in the selection of its investments.

The Trustee side—which I regard as the most important side of a Corporation of this character—has been very satisfactorily maintained, and it is this side to which I invite the serious attention of the shareholders, as it is the one which they can best extend and assist by their individual action and manifestation of confidence. The Corporation acts, as you know, not merely as Executor and Administrator and Guardian and Committee of persons and estates, but also in trusts of the most diverse description—charities, settlements, trust mortgages, frequently administering estates, the assets of which include the ownership or a partnership in some going concern or business, either to be sold as soon as convenient or carried on for a certain period. These businesses comprise a great variety of trade and commerce scattered in many cities and towns, for the handling of all or any of which the Corporation has the facilities incident to a trained staff and continuous management.

A resolution will be laid before you to approve and confirm the grants made by the Directors on your behalf to the Canadian Patriotic Fund, the British Red Cross Society and the Y.M.C.A. Military Fund.

The shareholders will join with me in regretting the loss by death during the year of Sir Wm. Mortimer Clark, K.C., and Mr. W. R. Brock, two valued members of the Board, who have been associated with the Corporation for many years. Their places on the Board were filled for the remainder of the term by the appointment of Mr. E. T. Malone, K.C., and Mr. H. H. Williams.

In conclusion, I would direct the thoughts of the Shareholders to the Roll of Honor on the walls of the Board Room—the simple but glorious record of the numerous employees of the Corporation who have devoted, some, their lives and all their service to the cause of their country in the world-war in which Canada is taking so splendid and unforgettable a part.

The President then called upon Mr. Langmuir, the General Manager, to address the Shareholders.

Mr. Langmuir said:—

The results obtained through the operations of the Corporation for the past year, as set forth in the very voluminous statements which have been submitted to you to-day cannot be regarded as anything but most satisfactory.

At the outset of the World War which has convulsed the great nations of the world for the past three and a half years the affairs of this Corporation were found to be in an absolutely sound and satisfactory condition, not only as to its own investments, but also in respect of investments taken by the Corporation for Estates and Trusts entrusted to its care, and we have been able to meet the new and changed conditions in a manner entirely satisfactory to our clients, scattered as they are in many lands.