

REPORT OF THE DIRECTORS
OF THE
Canada Permanent Loan and Savings Company,
FOR THE YEAR 1875.

The Directors have the pleasure of again reporting a highly satisfactory year's business, both in regard to the amount transacted as well as to its profitable results.

The Cash Receipts for interest and principal on Mortgages were \$916,140, and the amount advanced on Loan was \$803,618, in addition to \$22,563 paid to and on account of borrowers, and chargeable on their Mortgages. The number of Loans made was 1,006, and the aggregate amount of principal and accrued interest outstanding on Mortgages at the close of the year was \$3,599,212.

The amounts received from and repaid to Depositors were \$427,128 and \$462,442 respectively. The total amount held in the Savings Bank Branch at the end of the year was \$1,226,610, being \$27,562 less than last year—a surprisingly small reduction, considering the large amount held, and the extreme monetary stringency which, during the greater part of the year, prevailed.

The total net Profit, after deducting all charges and accrued interest, was \$232,984, out of which two half-yearly Dividends of six per cent. each were declared, amounting to \$180,000; the Contingent Fund was further increased by the sum of \$5,000, and the balance of \$47,984 was carried to the Reserve Fund, which now amounts to the sum of \$505,405, rather more than equal to one-third the amount of the Capital Stock.

The volume of business would have been considerably larger, had the funds available for Loans been sufficient to supply the demand, which, for several months, they were not. Finding that the operations of the Company were being injuriously restricted, and to enable it to retain the field it has so long occupied, the Directors deemed it advisable to increase the Capital in two ways: first, by the issue of Bonds, bearing such rates of interest as would remunerate the Company for its guarantee; and second, by the creation of new Stock.

In pursuance of the first of these objects the Manager visited Great Britain, and succeeded in effecting satisfactory arrangements for introducing the Company's Debentures to that market; as well with respect to the high position and qualifications of the gentlemen entrusted with the Agencies, as to the terms upon which the money is obtained, and the Banking and other facilities for carrying on the business safely and beneficially to the Company. The transactions already accomplished fully justify the expectations entertained as to the result of this movement. In the five months which subsequently elapsed, Debentures to the amount of \$334,826 had been disposed of, and the Cash Receipts of the year correspondingly augmented. The preliminary expenses, necessarily large, incurred in opening up this branch of business in a new and distant field of operations, together with all other charges connected with the sale of the Debentures, were provided for out of the profits of the year.

The allotment of new Stock was limited to Five Thousand Shares, apportioned to the Shareholders on the 4th of December. The issue takes effect from the beginning of the current year, and, with the premium, will add \$325,000 to the Company's Funds. Payments, in anticipation of Calls, to the amount of \$78,328 had, however, been made before the close of the year, and nearly the whole of the remaining sum has since been received.

The Directors trust that by the adoption of these measures, the Company will continue to be able to supply the landed proprietors of Ontario with Capital, which, judiciously used in connection with their own skill and industry, may assist in successfully developing the rich natural resources of this fertile Province.

All which is respectfully submitted.

J. HERBERT MASON,
Manager.

JOSEPH D. RIDOUT,
President.