

**CANADA PERMANENT
BUILDING AND SAVINGS SOCIETY**

SIXTEENTH

ANNUAL REPORT,

DECEMBER 31st, 1870.

Subscribed Capital, \$1,500,000
Paid up Capital, 1,244,409
Invested on Real Estate, 2,229,614

Directors:

JOSEPH D. RIDOUT, PRESIDENT.
PETER PATTERSON, VICE-PRESIDENT.
JAMES G. WORTS, E. H. RUTHERFORD,
S. NORDHEIMER, JOSEPH ROBERTSON,
EDWARD HOOPER, A. M. SMITH.

Bankers:

BANK OF TORONTO, | BANK OF MONTREAL,
MERCHANTS' BANK.

JONAS AP JONES, SOLICITOR.
J. HERBERT MASON, SECRETARY AND TREASURER.

OFFICE:

MASONIC HALL, TORONTO STREET, TORONTO.

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REPORT OF THE DIRECTORS
OF THE
Canada Permanent Building & Savings Society,
FOR THE YEAR 1870.

The Board of Directors have great satisfaction in laying before the Shareholders the duly audited Financial Statement of the Sixteenth Year of the Society's operations, exhibiting as it does evidences of the continued prosperity and advancement of the Institution.

The year just closed has been characterised by great commercial and industrial activity throughout Ontario, by an unusual demand for house accommodation in cities and towns, which has been partially met by the erection of far more than the average number of buildings, by an increase in the number of sales, and a general advance in the selling value of farms as well as town property, and, notwithstanding the deficiency in the wheat crop, by the steady improvement and generally prosperous condition of the agricultural interests of the Province.

As a consequence of this state of things there has been a steady and active demand for loans upon satisfactory security, while as a general rule, to which the exceptions are comparatively unimportant, the repayments from borrowers have been kept up with average punctuality. 1,118 applications for Loans were received, amounting to \$758,500, and of these 979 were partially or in full accepted. The number of Loans actually effected was 926, amounting to \$639,416.

In accordance with the policy which has been kept in view from the beginning, of gradually, and as the circumstances of the country and of the Society warranted, diminishing the cost and increasing the facilities for repaying Mortgage Loans, in May last, for the third time, a reduction in the rate of interest on loans was determined upon, and at the same time the choice of term for repayment of the principal was extended to twenty years. This reduction places the terms of this Society at a lower point than was ever before reached in this country by any similar Society, and together with the extension in time, brings down the annual instalment required to redeem a loan to very little more than has been frequently paid to other lenders for interest alone. In fact, instances have occurred during the year where mortgages paid off by loans from the Society were drawing interest at a higher rate per cent. than the Society's instalment of interest and principal combined.

The Cash Receipts for the year amount to about \$1,200,000. Of this sum \$357,501 were received at interest from Depositors, and \$917,169 were repayments of principal and interest upon Mortgage Loans.

Early in the year the Directors took into consideration the question referred to in last Report, of increasing the Society's Capital, which it was eventually decided to do, and new accumulating shares in the proportion of one to every two old Shares were offered to the Stockholders at par, payable by instalments in four years. The required amount was all taken, and the sum of \$200,192 has been paid thereon. This issue increases the Share Capital of the Society to \$1,500,000.

Two dividends of five and five and one-half per cent. respectively upon the Capital Stock were declared for the year, without trenching upon the profits derived from the Reserve Funds, which have been added thereto. Before issuing the new Shares an investigation of the securities was made with a view to an adjustment of the amounts at credit of the Reserve and Contingent Funds respectively, and the Reserve Fund was increased to \$200,000, as on 1st July last, and now stands at rather more than twenty per cent. upon the Capital Stock. The Contingent Fund is maintained at an amount believed to be sufficient to guard against any known or probable contingency.

Finding that the increasing business of the Society required larger accommodation than their Offices afforded, arrangements were made for leasing the adjoining premises for a term of years; and at a comparatively small expense, the necessary alterations have been made, which give the Society their present spacious and handsome premises.

All which is respectfully submitted.

J. HERBERT MASON,
Secretary and Treasurer.

JOSEPH D. RIDOUT,
President.

Proceedings of the Sixteenth Annual Meeting.

WEDNESDAY, 8TH FEBRUARY, 1871.

The Sixteenth Annual Meeting of the Shareholders was held this day, pursuant to notice, at three o'clock p.m., the President in the Chair, the following gentlemen being present: Messrs. John Wickson, R. J. Smith, John Fraser, S. B. Smith, Henry Thompson, Wm. Horace Lee, Peter Paterson, Arthur Crumpton, R. H. Tomlinson, H. Pellatt, G. P. Ridout, Rev. Thomas Baker, E. H. Rutherford, J. W. West, Edward Hooper, James Ap Jones, John Eastwood, Uzziel Ogden, M.D., Rev. Wm. Jones, J. G. Worsley, Joseph Robinson, W. B. Phipps, A. M. Smith, Samuel Whitt, James Browne, S. Nordheimer, George McManus, Wm. Anderson, John Carter, G. R. R. Cockburn, A. J. Mason, F. Marriott, Clarkson Jones, James Henderson, J. A. Musgrove, R. R. Clarke, &c. &c.

The Minutes of last Annual Meeting were read by the Secretary.

The President then introduced the business of the day by saying:—A few words will express all that I think it necessary to say supplementary to the comprehensive report which is already in your hands.

Although at each of our fifteen preceding Annual Meetings it has been my agreeable office to give you an account of our Society's affairs, so satisfactory as to place it high up in the estimation and confidence, not only of the shareholders, but of the whole Canadian people, yet the statement which it is my pleasant duty to render to you to-day, is, so far as refers to the capitalized shares, still better than either of all those which you have received before, inasmuch as besides the handsome dividend of ten and a half per cent., the reserve fund has been raised from 15 per cent. on the capital stock, as it stood on the 31st December, 1869, to 29 per cent., a line which assures, so far as any thing of the kind can be assured, the maintenance of the dividend, and the most accommodating terms for borrowers which are likely to be offered from either individual or institutional sources for a long time to come. I feel that I might be chargeable with failure of duty if I omitted the opportunity for pointing out that our Reserve Fund has arisen entirely from profits made by the Society for the shareholders, and not as in some other instances, from the shareholders themselves, by premiums upon new stock exceeding the amount of the proportional interest in the Reserve Fund, to which they contributed; a very important difference, which it is highly desirable for this Society should be better understood than it generally is.

The principal, or at all events the most interesting, feature of the year's proceedings has been the issue of the new Stock, on the first of July, the seasonableness of which has been proven by the fact that although the large amount of over Two Hundred Thousand Dollars has been paid in on account of it, additional to the large ordinary income of the Society, there has not been at any time any considerable sum unemployed.

Having noticed that the Managers of some Institutions take much pains to repeatedly proclaim the advantages which they consider they possess in the way of security to depositors, I think it advisable to re-publish to-day that, with trifling exceptions, our assets are all real estate securities, valued by persons well qualified to estimate them correctly, and that a depreciation of our assets, so to 90 per cent. on the aggregate amount must occur before a single shilling of Depositors' money could be lost, a depreciation which could not happen in any reasonably supposable state of things, and showing such a measure of protection for that class of customers as to make any desire for its enlargement a mere purposeless sentiment, and that, unless we except the Government, there is no more proper or safe place for the money either of parties in ordinary circumstances, or of fatherless families, widows, orphans, or of private or corporate trustees. And I may add, that the continually increasing amount of Stock held by those best acquainted with its value, and the advancing figure in the marketable price of it, testifies to the broad and complete confidence which there is in the continuance of that success which has hitherto resulted to the Society from faithful, zealous and able services, in every department of its organization.—from the excellent judgment exercised by its Directors, from an active application of distinguishingly suitable abilities on the part of the Secretary, from unsurpassable care and correctness on the part of its Solicitor, from a distinguishedly Clerk, in the person of Mr. Alfred Mason, whose efficiency, and general respectability and reliability of character, I am glad of the opportunity to express my admiring appreciation of, from a staff of subordinate clerks who, for the most part, have been thoroughly familiar with their work, and kept it well up, and an auxiliary force composed of a large number, at this moment exceeding a hundred, of the best men of the Province, acting in as many different districts as its Advocates and Appraisers?—a combination of advantages from which, together with such assistance or beneficial influence as I may be allowed to take credit for, has come that great success and prosperity which the Shareholders are so satisfactorily enjoying.

The Report of the Directors for the past year was read by the President.

It was moved by the President, seconded by S. B. SMITH, Esq., "That the Report of the Directors for the past year, now read, be received and adopted, and that it and the Financial Statements be printed for distribution to the Shareholders."—Carried.

It was moved by JOHN WICKSON, Esq., seconded by CLARKSON JONES, Esq., "That the thanks of this meeting are eminently due and are hereby tendered to the Directors and Officers of this Society for their valuable services in conducting its affairs during the past year, and that the same sum per meeting attended be paid to the Directors as in past years."—Carried.

It was moved by JOHN EASTWOOD, Esq., seconded by HENRY THOMPSON, Esq., "That the thanks of this Meeting are hereby rendered to the President, Joseph D. Ridout, Esq., for his efficient discharge of the important duties attaching to his Office, and that he be presented with the sum of Two Thousand Five Hundred Dollars as compensation for his services during the past year, inclusive of his attendance as a Director; and that for the future the annual remuneration to the President of this Society shall be and continue at the above sum, until otherwise ordered by the Stockholders."—Carried.

It was moved by Rev. Wm. JONES, seconded by GEORGE McMANUS, Esq., "That the ballot for the election of four Directors be now opened, that Messrs. H. Thompson and H. Pellatt, be requested to act as Scrutineers, and that the Poll remain open for one hour, provided that if no votes be tendered for the space of five minutes consecutively, the Scrutineers may close the Poll within the hour."—Carried.

The Scrutineers reported the four retiring Directors, Messrs. J. D. Ridout, Peter Paterson, Samuel Nordheimer, and Joseph Robinson, unanimously re-elected.

It was moved by W. B. PHIPPS, Esq., seconded by R. H. TOMLINSON Esq., "That the sum of Five Dollars each be presented to the Scrutineers for their efficient services on this occasion."—Carried.

It was moved by JOSEPH ROBINSON, Esq., seconded by HENRY THOMPSON, Esq., "That the President do now leave the Chair, and that Mr. Paterson do take the same."—Carried.

It was moved by JOSEPH ROBINSON, Esq., seconded by HENRY THOMPSON, Esq., "That the thanks of this meeting be tendered to the President for his able and impartial conduct while in the Chair."—Carried.

The meeting then adjourned.

At a subsequent Meeting of the Board, JOSEPH D. RIDOUT, Esq., was re-elected President, and PETER PATERSON, Esq., Vice-President of the Society for the current year.

STATEMENT

*Of the FUNDS and EFFECTS of the Canada Permanent Building and Savings Society,
December 31st, 1870.*

CASH ACCOUNT FOR THE YEAR 1870.

RECEIPTS.	\$	c.	EXPENDITURE	\$	c.
Balance 1st January, 1870	40,974	84	Advances secured by Mortgages upon Real Estate	601,916	15
Instalments on Mortgages	617,169	79	Do. do. Society's Stock	34,700	00
Do. on Investing Shares	209,385	07	Deposits repaid and Interest	425,328	74
Deposits	357,801	93	Accumulated Profits on Matured Shares	2,091	17
Principal and Interest on Special Investments	2,922	42	Dividends on Capital Stock	101,052	26
			Special Investments—Debentures	3,070	82
			Vote of General Meeting to the President	2,000	00
			Do. do. Directors	944	00
			Incidental Expenses— including Rent, Taxes, Salaries, Printing, Stationery, Advertising, &c.	13,955	16
			Agency and Travelling Expenses	2,269	64
			Disbursements chargeable to Mortgagors	8,515	13
			Office Fixtures and Furniture	2,163	29
			Legal Expenses	32	93
			Balance	30,214	79
	\$1,228,254	05		\$1,228,254	05

GENERAL ABSTRACT OF ASSETS AND LIABILITIES.

GENERAL LIABILITIES.		\$	c.	ASSETS.		\$	c.
Deposits, and Interest thereon		744,753	50	Mortgages upon Real Estate		2,229,614	63
Sundry Accounts		2,409	65	Do. Society's Stock		19,640	76
				Debentures		2,331	89
				Past due Instalments on Investing Shares		3,011	91
LIABILITIES TO MEMBERS.							
Capital Stock	\$1,029,250	00		Cash on hand	\$605	67	
Accumulating Stock	75,280	00		Do. in Bank of Toronto	10,691	41	
Matured Shares	250	00		Do. Bank of Montreal	9,203	50	
				Do. Merchants' Bank	9,714	21	
						30,214	79
Advanced Payments on Stock and Interest	1,104,780	00					
Permanent Stock Reserve	142,641	12					
Contingent Fund	211,054	94					
Dividends Unclaimed	18,855	71					
21st Dividend declared	-899	96					
Profits at credit of Accumulating Shares	56,596	10					
	2,823	00					
						\$2,284,813	98
	\$2,284,813	98					

J. HERBERT MASON, *Secretary and Treasurer.*

We, the undersigned, have made the usual examination of the Books of the CANADA PERMANENT BUILDING AND SAVINGS SOCIETY for the year ending 31st December, 1870, and hereby certify the above statements to be correct.

W. B. PHIPPS, }
E. GOLDSMITH, } *Auditors.*

TORONTO, 6th February, 1871.