

CANADA PERMANENT

Loan & Savings

INCORPORATED ANNUAL REPORT

DECEMBER 31ST, 1981

Paid-up Capital	\$2,000.00
Reserve Fund	1,000.00
Total Assets	6,856.18

Directors:

JOSEPH D. RHODU, President,
PETER PATERSON, Vice-President,
J. G. WORTS, EDWARD HOOPER,
NORDHEIMER, JOSEPH ROBINSON,
A. M. SMITH, S. B. SMITH,
J. HERBERT MASON, Manager,
JONES BROS. & MACKENZIE, Solicitors.

Bankers in Canada:

BANK OF TORONTO, BANK OF COMMERCE
MERCHANTS' BANK, FEDERAL BANK,
STANDARD BANK.

Bankers in Great Britain:

THE CITY BANK, LIMITED, LONDON,
THE BRITISH LINEN COMPANY BANK, EDINBURGH,
THE DEVON & CORNWALL BANK, EXETER.

OFFICE:

COMPANY'S BUILDINGS, TORONTO STREET, TORONTO

Comp. Clark & Co., General Printers, Colborne Street, Toronto.

REPORT OF THE DIRECTORS

OF THE

Canada Permanent Loan & Savings Company

FOR THE YEAR 1881.

The exhibit of the progress and position of the Company, which at the end of its twenty-seventh year the Directors have the honor to submit, is one which they believe will prove highly gratifying to their fellow shareholders.

During the year the sum of \$1,687,839 was received for principal and interest on Mortgage Loans; \$254,896 were received for investment on Deposit, and \$185,899 were received on the Company's Debentures. Of the Debentures which matured, \$167,899 were paid off, and \$335,800 were renewed at a lower rate of interest. Mortgage Loans were effected to the amount of \$1,254,525.

Notwithstanding the fact that the total sum invested is greater and the proportion of old business larger, the amount of property in the hands of the Company for sale is much less than at the end of either of the two preceding years. The properties disposed of during the year realized on the whole considerably more than they were expected to do in December, 1880. It is also satisfactory to note that the maturing obligations of Mortgages have been met with more than average promptness.

Although the rates obtained on the money lent were lower than in previous years, the anticipated effect, in lessening the profit-earning power of the Company, has not for various reasons yet become manifest, but will eventually have its legitimate influence in that direction.

The results of the year have enabled the Directors to pay the usual half-yearly dividends of six per cent. each and to pay municipal tax thereon, and to add \$40,000 to the Reserve Fund, which now amounts to One Million Dollars, and to fifty per cent. upon the subscribed and paid up Capital Stock. Deeming it inexpedient to further increase the Reserve Fund, the surplus profits, amounting to \$23,778, have been carried to the Contingent Fund, to be dealt with as may be hereafter determined.

The rates of interest obtainable here on good securities are so nearly equivalent to what may be obtained in the Province of Ontario. The rates of interest obtainable here on good securities are so nearly equivalent to what money can at present be procured at in the British markets, even by the best known and accredited institutions, that no sufficient margin is left to cover the cost, risk and trouble necessarily undertaken. This unusual state of things may not be of long continuance, but while it exists the Directors consider it wiser to restrict the volume of business than to accept additional capital at unremunerative rates.

With a view to give effect to the resolution passed at the last Annual meeting, the Manager visited Manitoba and succeeded in making favorable arrangements for extending the operations of the Company to that Province. A General Agency has been established in Winnipeg, and business of a satisfactory character has been done at that and other points.

All which is respectfully submitted.

J. HERBERT MASON,

Manager.

JOSEPH D. RIDOUT,

President.

FINANCIAL STATEMENT

THE CANADA PERMANENT LOAN AND SAVINGS COMPANY,

DECEMBER 31st, 1881.

CASH ACCOUNT FOR THE YEAR 1881.

RECEIPTS.	\$ c.	EXPENDITURE.	\$ c.
Balance, 1st January, 1881	253,414 75	Loans secured by Mortgages on Real Estate	\$1,218,328 81
Repayments on Mortgages	1,687,839 31	Loans upon other Securities	36,197 00
Deposits	254,896 60	Deposits repaid	1,254,325 81
Debitures	185,809 98	Debitures repaid	326,844 48
Bank Interest, Exchange, &c.	4,315 83	Interest on Deposits, Debitures, &c.	167,899 00
Rentals	5,094 19	Dividends on Capital Stock	186,651 00
		Municipal Tax on Dividend	249,195 00
		Disbursements chargeable to Mortgages	3,997 20
		Repayments for and on account of Mortgages	19,170 26
		Alteration and Charges on Company's Building	12,019 85
		Commission to Agents and Appraisers	2,653 25
		Inspection and Travelling Expenses	9,885 96
		Cost of Management	2,047 00
		Balance	36,197 00
	\$2,391,660 66		

Dr.		PROFIT AND LOSS.	
42nd Dividend	\$120,000 00	Net Profits, after providing for Interest on Deposits and Debitures, Cost of Management, and other charges and deductions	\$307,685 94
43rd Dividend	120,000 00		
Municipal Tax on Dividends	3,997 20		
Reserve Fund	40,000 00		
Contingent Fund	23,778 74		
	\$307,685 94		

ABSTRACT OF ASSETS AND LIABILITIES.

LIABILITIES TO THE PUBLIC.	\$ c.	ASSETS.	\$ c.
Deposits and Interest	\$1,000,302 65	Mortgages upon Real Estate	\$6,559,888 86
Outstanding Debitures and Interest	2,563,721 10	Mortgages upon other Securities	50,510 00
Outstanding Debitures & Interest	64,020 27	Municipal Debitures	36 11
Sundry Accounts (including Commission on Debitures)	6,487 72	Company's Building	1,000 00
	3,635,140 88	Accrued Rents	1,000 00
		Cash on hand	\$ 75 91
		Cash in Banks in Canada	124,428 36
		Cash in Banks in Great Britain	\$ 874 45
			130,379 72
			120,060 00
	\$6,850,180 64		\$6,850,180 64
			\$6,850,180 64

We, the undersigned, beg to report that we have made the usual thorough examination of the Books of the CANADA PERMANENT LOAN AND SAVINGS COMPANY, for the year ending 31st December, 1881, and hereby Certify that the above Statements are strictly correct, and in accordance with the same.

Toronto, 2nd February, 1882.

HERBERT MASON, *Manager*
 J. E. BERKELEY SMITH, *Auditor*
 JOHN HAGUE, *Auditor*

Proceedings of the Twenty-Seventh Annual Meeting

The Twenty-seventh Annual Meeting was held at the Company's Offices on the 8th February, 1882, at 3 o'clock p.m.

The Chair was occupied by the President, Joseph D. Ridout, Esq., and the following Stockholders were present:— Messrs. J. G. Worts, W. R. Bartlett, A. M. Smith, James Scott, S. Nordheimer, George Gooderham, Peter Paterson, F. A. Ball, S. B. Smith, E. Hooper, James Browne, Joseph Robinson, Robert Gooderham, W. G. Gooderham, G. W. Lewis, E. H. Rutherford, Alfred Gooderham, E. S. Cox, Clarkson Jones, E. Corner, H. Mortimer, W. A. Heather, J. W. West, John Carter, C. E. Hooper, W. S. Lee, G. R. Hamilton, Joseph Cawthra, J. Crowther, Rev. John Gillespie, M. Baldwin, J. Eastwood, R. Gilnor, B. Jones, and A. J. Mason. The Manager, Mr. J. Herbert Mason, acted as Secretary.

On the suggestion of Mr. F. A. Ball, the Minutes of the last Meeting were taken as read.

After reading the Directors' Report, the President said:—

GENTLEMEN,—For conformity with the usage upon occasions of this kind, in a few words by way of preamble to the business of the meeting, I beg leave to say that I think, after receiving the Report for the last year, we must all feel that we should regard this as a red letter or memorial day, as the one upon which it is published that that great buttress of our Company—its Reserve Fund—has been raised to the 50 per cent. line in comparison with our Capital, which we have been so long looking forward to as the desirable and sufficient limit thereof, especially so as that announcement is accompanied by such a statement of our affairs in general as seem to promise a continuance of our customary dividends, notwithstanding the adverse circumstances of the last two years, and a prospect much less assuring with regard to future profits than what we have ever previously had before us. Another noticeable feature of our situation is that we made more than expected progress during the year through our new Agency in Manitoba, and that in carrying out the loans which we undertook there, and by the Manager's visit to and inspection of the country, we obtained a large amount of valuable information with regard to that Province, altogether foreshadowing for us a satisfactory amount of business from there for the current year, although I must say, upon less lucrative terms than what we first of all expected to find from that source, as the rates of interest here are now sliding down to pretty nearly those of the older settlements. However that may be, the almost desperate straits in which our original line testifies to the expediency of our enlarged boundaries, and to the establishment thereof of a new Agency from which to ascertain the changing condition of things in that part of the world. Then for fear that you should have any misgivings about anything about that most interesting part of our Assets—our Default Accounts—I will at once tell you that the closest and most constant watchfulness has been maintained in regard to them, and every available means adopted by which to learn the truth as to our securities in those cases are sufficient, and whenever it appeared that they were not so, the amounts of the Accounts are correspondingly reduced to the estimate of the deficiencies, so that the figures at which they now stand upon the Statements which I am just rendering to you may be depended upon as strictly reliable. Considering that very little explanation can be required with regard to the details, practice, or process of a management producing the splendid annual profits of over 15 per cent., I propose only to add that consistently with that conduct which I have always followed, I desire to prevent disappointment with regard to the future by pointing to the fact that with present appearances and circumstances we should not be warranted in expecting the same profitable business for going in the years to come that we have generally experienced in those that are passed. With these few remarks, I beg leave to move, seconded by the Vice-President, Mr. PATERSON, "That the Report of the Directors for the year 1881 be received and adopted, and that it be printed, together with the Company's Financial Statement, for distribution to the Shareholders."

Resolved by J. W. HIMSWORTH, ESQ., and seconded by H. MORTIMER, ESQ., "That the thanks of the meeting be given to the President and Directors for their careful supervision of the Company's business during the past year, and that the sum of \$1,000 be paid to the President, and also that the sum of \$6 each be paid to the Directors for each meeting they have respectively attended."—*Carried.*

Resolved by JAMES SCOTT, ESQ., and seconded by MORGAN BALDWIN, ESQ., "That the thanks of the Shareholders be presented to the Manager, and other Officers of the Company, to the Solicitors and to the Company's Agents in Britain and Canada, for their zealous attention to the Company's interests."—*Carried.*

Resolved by the Shareholders on behalf of himself and the other officers of the Company, for the vote just passed, "That the Directors and Shareholders be commended for the practical management of the affairs of the Company should manifest a feeling; and for himself he must plead guilty to having some feeling of pride on this occasion. The increase of the Reserve Fund to 50 per cent. was something to which he had long looked forward and hoped to live to see, and now at last his hopes were realized. So far as he was aware, no other Company in Canada had for seven and twenty years consecutively declared so large a dividend and had also built up so large and so well-guaranteed a reserve. This must be owing to a considerable extent to the skill and energy of the Company's business, had been carried on. He thought, therefore, that it could not be considered inappropriate in this manner the services of the officers, agents, solicitors and appraisers, who, under the direction of the Board, had been instrumental in achieving this success; and he accepted, the vote on their behalf as one heartily given, and not as a mere compliment."

Resolved by CLARKSON JONES returned thanks on behalf of the Solicitors. Resolved by W. R. BARTLETT, ESQ., and seconded by J. CROWTHER, ESQ., "That the thanks of the Shareholders be presented to the Auditors for their care in the audit of the Company's Books, and that they be paid the sum of \$500 each for their services, and that Messrs. J. E. Berkeley Smith and John Hague be appointed to audit the Company's Books and Accounts for the current year."—*Carried.*

Resolved by the Shareholders, "That the election of Directors was then proceeded with, the retiring Directors, Messrs. J. G. Worts, A. M. Smith, S. B. Smith and E. Hooper, being unanimously re-elected."

At a subsequent Meeting of the Board, Joseph D. Ridout, Esq., was re-elected President, and Peter Paterson, Esq., Vice-President.