

TWENTY-FIFTH ANNUAL REPORT

# Huron & Erie

## LOAN AND SAVINGS CO'Y

LONDON, ONTARIO.

CAPITAL SUBSCRIBED,	-	£308,219.3. 7.
" PAID-UP,	-	226,027.8. 0.
RESERVE FUND,	-	93,082.3.10.

Directors :

J. W. LITTLE, *President*.  
JOHN BEATTIE, *Vice-President*.  
WM. SAUNDERS.  
HON. E. LEONARD.  
PHILIP MACKENZIE.  
A. W. PORTE.

*Manager*.

G. A. SOMERVILLE.

*Solicitor*.

VERSCHOYLE CROXON, LL.B.

*Auditors*.

GEO. F. JEWELL, F.C.A.  
THOS. A. BROWNE.

*Bankers in Canada.*

THE BANK OF MONTREAL.  
THE CANADIAN BANK OF COMMERCE.  
THE MOLSONS BANK.

*Bankers in Great Britain.*  
THE BANK OF SCOTLAND.

*Correspondents in Great Britain.*  
FINLAYSON & AULD.

*Printers.*  
213, West George Street,  
GLASGOW.

## TWENTY-FIFTH ANNUAL REPORT

—OF THE—

# HURON & ERIE LOAN & SAVINGS COMPANY.

The Directors of the Huron and Erie Loan and Savings Company beg to submit herewith their Twenty-fifth Annual Report, shewing the results of the business of the Company for the past year, accompanied by the Balance Sheet to 31st December, 1888, duly audited.

From the profits of the year, your Directors have been enabled, after defraying all expenses of management, to pay two half-yearly dividends of four and one-half per cent. each, pay the income tax of £520.16.7, add £3,287.13.5 to the Reserve Fund, and leave a balance at the credit of Profit and Loss Account of £61.4.9.

During the year there has been an increase in the Savings Bank Deposits and Debentures of £32,111.13.8; the expenses of management have been reduced, and the cash value of securities is £50,374.11.7 greater than at the close of 1887.

In accordance with the invariable custom of the Company, *all expenses* connected with the issuing of Debentures have been paid out of the profits of the year.

The £12,328.15.4 invested in Dominion Government Inscribed Stock remains undisturbed, and is at any time readily convertible.

The value of the Real Estate held by the Company, other than the office premises, is £3,595.17.10. This sum includes all properties remaining unsold, which have come into possession of the Company through failure to obtain purchasers under power of sale, or otherwise.

The net losses for the year have amounted to £560.6.3, a very small sum when compared with the total investments. The system of inspection by the Company's own Inspectors of securities offered to the Company, has been continued.

Since the last Annual Meeting the Board has lost an old and valued member by the death of Mr. J. G. McIntosh. The deceased gentleman had been a Director of the Company from the commencement, and his sudden demise was much lamented by his associates. The vacancy thus caused was filled by the appointment of Mr. A. W. Porte, Managing Director of the McCormick Manufacturing Co.

A change has also taken place in the management of the Company. In November last, Mr. R. W. Smylie, who had been Manager of the Company for several years, tendered his resignation, and Mr. G. A. Somerville, of Guelph, was appointed to the position.

All of which is respectfully submitted.

J. W. LITTLE, *President.*

London, 30th January, 1889.

# The Huron & Erie Loan & Savings Co.

Dr. PROFIT AND LOSS STATEMENT FOR YEAR ENDING 31st DECEMBER, 1888. Cr.

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Dr. STATEMENT OF LIABILITIES AND ASSETS AS AT 31st DECEMBER, 1888. Cr.

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G. A. SOMERVILLE, Manager.

We hereby certify that we have carefully audited the Books and Accounts of THE HURON AND ERIE LOAN AND SAVINGS COMPANY for the year ending 31st December, 1888. The Cash and Bank Accounts have been audited monthly; the postings and balances of all the Company's Ledgers examined quarterly; and we find the whole correct and in accordance with the above statements. We have also examined the Company's securities, and find them in order.

GEO. F. JEWELL, F.C.A. } *Auditors.*  
THOS. A. BROWNE, }

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# THE HURON AND ERIE LOAN AND SAVINGS COMPANY.

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The Twenty-fifth General Annual Meeting of the Company was held at its Office, London, Ont., on Wednesday, the 13th February, 1889.

Present:—Messrs. Frank Leonard, Rev. E. E. Newman, John Beattie, Wm. Saunders, P. Mackenzie, G. O. Challoner, A. W. Porte, F. P. Betts, Geo. F. Jewell, E. Manigault, T. A. Browne, W. J. McIntosh, and Thos. Boyer.

In consequence of a recent death in his family, the President, Mr. J. W. Little, was unavoidably absent, and the chair was occupied by the Vice-President, Mr. William Saunders; the Manager, Mr. G. A. Somerville, acting as Secretary.

The minutes of the last General Annual Meeting were read and confirmed.

The Secretary read the notice calling the meeting, and also the Financial Statement.

In moving the adoption of the Report, the Vice-President said:

"I regret exceedingly that a severe family bereavement prevents our esteemed President from being present with us on this occasion. We had all hoped to hear from him those explanations and particulars relating to the prosperity of the Company which are warranted by the Report you have just heard read. I know you will join me in regretting the cause of his absence, and in sympathising with him in his trouble. Under the circumstances it becomes my duty to move the adoption of the Report, which I do with much pleasure, since it gives evidence of substantial progress, and of the continued care with which the affairs of The Huron and Erie Loan and Savings Company have been managed.

"The increased volume of business transacted by the Company has yielded satisfactory profits, which have enabled the Directors to pay the usual dividends, also the income tax, to provide for losses, and to defray the expenses of management, and, in addition, to place £3,287.13.5 to the credit of the Reserve Fund. The net increase during the year to the cash value of the securities held by the Company is £50,374.11.7, making a total of £752,685.4.11, which is secured by real estate valued by the Inspectors of the Company at £1,637,054.16 0. This increase in working capital has been brought about chiefly by the sale of additional Debentures, which have been disposed of to advantage, both in Great Britain and in Canada, and the added business has been transacted without increasing the cost of management. Another year of such increase would bring the Company nearly to the limit of its borrowing powers, when the question of another issue of partly paid-up Stock may need to be considered.

"The applications for loans have numbered 671, amounting to £285,145 5 7; of these 414, aggregating £162,255.16.6, have been granted. More than 94 per cent. of the securities of the Company are on farm property located in the thriving counties of Western Ontario; the remainder is secured by mortgages on city and town properties. The number of mortgages held by the Company is 2,324, the average amount of each mortgage being £323.12.7. The number of Depositors in the Savings Bank is 2,627, with an average deposit of £85.1.5.

"During the year the Auditors have examined all the securities held by the Company, and have found them in satisfactory order. The Real Estate held for sale at the close of the year is £3,595.17.10, less than one-half of one per cent. of the Working Capital, and from these properties, which consist of four farms comprising in all 600 acres, rents have been received to the amount of £131.10.2. The ability of the farmers of Ontario to meet their liabilities on mortgage account is evidenced by the fact that the total arrears due to the Company at the end of the year was less than three per cent. of the money loaned.

"The item given as losses on Real Estate, £560.6.3, is not all ascertained losses. Nearly one-half of this sum, amounting to £268.1.5, has been applied in reducing the prices at which the several unsold properties are held, and it is believed that ample provision has thus been made for all losses likely to occur in the sale of these farms.

"During the year we have been called upon to mourn the loss by death of one of our Directors, Mr. J. G. McIntosh, an old and highly esteemed associate, who had held office ever since the organization of the Company. The vacancy thus occasioned was filled by the election of Mr. A. W. Porte. A change of management has also taken place, owing to the resignation of the late Manager, Mr. R. W. Smylie. The position has been filled by the appointment of Mr. G. A. Somerville, of Guelph, a man of large experience, and one who commands the confidence and esteem of all those who have been associated with him.

"I have much pleasure, gentlemen, in moving the adoption of the Report."

The motion was seconded by Mr. Mackenzie, and carried unanimously.

Votes of thanks were unanimously tendered to the President and Directors for the care with which they had managed the business of the Company; also to the officers for the efficient manner in which they had discharged their respective duties. And the usual remuneration was voted to the President.

Messrs. Geo. F. Jewell, F.C.A., and Thos. A. Browne were re-elected Auditors, and the sum of £184.18.8 voted for their services.

The following gentlemen were unanimously re-elected to serve as Directors:—Messrs. J. W. Little, Wm. Saunders, John Beattie, P. Mackenzie, A. W. Porte and Hon. E. Leonard.

At a subsequent meeting of the Board, Mr. J. W. Little was unanimously re-elected President. Mr. Saunders declined re-election to the Vice-Presidency, owing to continued absence from the city, and Mr. John Beattie was unanimously chosen for that office.

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Auditors.