

CANADA PERMANENT
LOAN & SAVINGS COMPANY.

XXII
ANNUAL REPORT,

DECEMBER 31ST, 1880.

Paid-up Capital,	\$2,000,000
Reserve Fund,	960,000
Total Assets,	6,853,276

Directors:

JOSEPH D. RIDOUT, PRESIDENT,
PETER PATERSON, VICE-PRESIDENT,
J. G. WORTS, EDWARD HOOPER,
S. 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 LINES COMPANY BANK, ENGLISH,
THE DEVON & CORNWALL BANK, PLIMOUTH.

OFFICE:

COMPANY'S BUILDINGS, TORONTO STREET, TORONTO.

Printed and Published by J. G. Clark & Co., General Printers, Colborne Street, Toronto.

REPORT OF THE DIRECTORS
OF THE
Canada Permanent Loan & Savings Company
FOR THE YEAR 1880.

The Directors have the pleasure of reporting the business of the Company, for the year 1880, as set forth in the annexed Statements: resulting in an increase to the Assets, of \$183,467, to the Reserve Fund, of \$60,000, and to the Contingent Fund, of \$3,338.

The amount received for principal and interest on Mortgage Securities, during the year, was \$1,660,028, and the amount invested was \$1,183,471: in both cases somewhat less than the amounts of the preceding year. Of the properties held for sale at the beginning of the year, a considerable proportion was disposed of, on the average, at higher prices than they had been estimated at, and a further portion are placed on rental. Every effort is being made to close out the unsold properties at the earliest opportunity, and it is believed, after the most careful investigation, that no loss will be sustained on the amounts at which they now stand on the Company's books.

The limited demand for loans, and reduced rates of interest, compelled the Directors to refuse large amounts, both on Deposit and on Debentures, and the sums accepted have been taken at considerably reduced rates. Deposits to the amount of \$285,936, were received, and \$413,403, returned. Sterling Bonds to the amount of \$364,075 were issued: \$209,266 matured bonds were renewed at lower rates of interest, and \$96,846 were paid off.

The usual half-yearly dividends of six per cent. each on the Capital Stock, were declared and paid.

The accumulation of unemployed capital at the great monetary centres, and the success which has attended the operations of some Canadian Loan Companies, has led to the introduction of a large amount of foreign capital for lending purposes, and to a keen competition and reduction in rates of interest, which may cause disappointment to investors. The anxious attention of the Board has been directed to every phase of this subject. Being a borrower as well as a lender, the Company has, as yet, sustained no perceptible diminution of profits from the diminished rates of interest. The eventual result, should the present state of things continue, must be to reduce profits: but the Shareholders may congratulate themselves that the Company has its capital already well invested and guarded by ample Reserve and Contingent Funds: and, having also a large experience, and an established credit which enables it to borrow on the best terms and in the cheapest markets, it is in an advantageous position to meet future contingencies, from what ever source they may arise. There is the further consideration, that the reduction in the value of money operates beneficially on landowners and others needing capital, and may be reasonably expected to enable them to meet future engagements with greater ease and punctuality.

Under a recent Act of the Ontario Legislature, the City authorities of Toronto claim the right to assess the whole Dividend of the Company for municipal purposes. The Directors wish to record their conviction of the inexpediency and injustice of any municipality having power to tax for local purposes the personal property of an Institution whose funds are chiefly invested on outside property, and many of whose Shareholders reside and pay taxes elsewhere, simply because the Head Office of the Institution happens to be in that municipality. The result is to compel both borrowers and Stockholders to pay taxes not only where they reside, but also to pay a heavy contribution to the municipality where the Chief Office of the Company may be. The Directors believe that a fairly adjusted business tax would be generally approved, and, by its more certain and universal application, would be equally productive as the present inquisitorial and inequitable income and personal property assessment.

Deeming it advisable that the Company should be in a position to take advantage of favorable opportunities of lending on securities in Manitoba, the Directors have adapted certain amendments to the Rules authorizing investments outside of Ontario, which will be submitted to this meeting of the Shareholders for adoption.

All which is respectfully submitted.

J. HERBERT MASON,
Manager.

JOSEPH D. RIDOUT,
President.

FINANCIAL STATEMENT

OF THE CANADA PERMANENT LOAN AND SAVINGS COMPANY,

DECEMBER 31ST. 1880

CASH ACCOUNT FOR THE YEAR 1880

RECEIPTS	\$	EXPENDITURE	\$
Balance, 1st January, 1880	155,871 52	Loans secured by Mortgages on Real Estate	\$1,150,521 93
Repayments on Mortgages	1,660,028 61	Loans upon other Securities	32,950 00
Deposits	285,930 17	Deposits repaid	1,183,471 93
Debitures	304,075 29	Debitures repaid	96,846 60
Bank Interest, Exchange, &c	8,186 80	Interest on Deposits, Debitures, &c	207,503 04
Rentals	4,207 30	Dividends on Capital Stock	239,901 00
		Disbursements chargeable to Mortgages	24,855 66
		Repayments for and on account of Mortgages	8,438 48
		Alterations and Charges on Company's Building	5,007 23
		Commission to Agent and Appraisers	12,110 25
		Inspection and Travelling Expenses	597 21
		Cost of Management	34,943 97
		Legal Expenses	122 51
		Balance	253,414 75
	\$2,478,300 04		\$2,478,300 04

ABSTRACT OF ASSETS AND LIABILITIES

LIABILITIES TO THE PUBLIC	\$	ASSETS	\$
Deposits and Interest thereon	\$1,085,560 55	Mortgages upon Real Estate	\$6,430,950 63
Debitures and Interest thereon	2,611,452 75	Mortgages upon other Securities	51,350 87
Sundry Accounts (including Commission on Debitures)	4,513 14	Municipal Debitures	6,491,310 50
	3,701,526 44	Company's Building	7,686 48
		Accrued Rents	100,000 00
		Cash on hand	865 07
		Cash in Banks in Canada	\$459 23
		Cash in Banks in Great Britain	25,020 24
			2,335 28
			253,414 75
			\$6,853,276 80
	\$6,853,276 80		

J. HERBERT MASON, *Manager*.

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, 1880, and hereby Certify that the above Statements are strictly correct, and in accordance with the same.

W. B. PHIPPS,
J. E. BERKELEY SMITH, } *Auditors*.

Y,