

# CANADA-PERMANENT LOAN AND SAVINGS COMPANY

## FOURTY-FIRST ANNUAL REPORT,

DECEMBER 31st, 1895.

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<i>Subscribed Capital,</i>	- - - - -	\$ 5,000,000
<i>Paid-up Capital,</i>	- - - - -	2,600,000
<i>Reserved Funds,</i>	- - - - -	1,571,514
<i>Total Assets,</i>	- - - - -	12,037,462

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### Directors:

PRESIDENT & MANAGING DIRECTOR... J. HERBERT MASON.  
VICE-PRESIDENT..... EDWARD HOOPER.  
S. NORDHEIMER, W. M. G. GOODERHAM,  
JUDGE BOYD, W. D. MATTHEWS,  
HENRY CAWTHRA, G. W. MONK.

ASSISTANT MANAGER..... ALFRED J. MASON.  
SUPERINTENDENT..... RUFUS S. HUDSON.  
SECRETARY ..... GEORGE H. SMITH.

### TORONTO SOLICITORS:

JONES, MACKENZIE & LEONARD, BARRISTERS.

### Bankers in Canada:

THE BANK OF TORONTO, THE STANDARD BANK,  
THE MERCHANTS BANK, THE ONTARIO BANK,  
THE CANADIAN BANK OF COMMERCE,  
THE IMPERIAL BANK OF CANADA,  
THE BANK OF BRITISH COLUMBIA.

### Bankers in Great Britain:

THE CITY BANK, LIMITED, LONDON.  
THE BRITISH LINEN COMPANY BANK, EDINBURGH.

### HEAD OFFICE:

*Company's Buildings, Toronto Street, Toronto*

The Corp. Clerk Company, Ltd., Printers, Colborne St., Toronto.

REPORT OF THE DIRECTORS  
OF THE  
CANADA PERMANENT LOAN AND SAVINGS COMPANY  
FOR THE YEAR 1895.

The Directors of THE CANADA PERMANENT LOAN AND SAVINGS COMPANY herewith present a Statement of the business of the Company for the year 1895, duly certified by the Auditors.

After defraying all charges, consisting of cost of management, and commissions on money received and invested; providing for interest on borrowed capital; and after writing off all ascertained as well as probable losses, there remained a net revenue of \$249,048.03; a sum sufficient to enable the Board to declare two half-yearly dividends, amounting to nine per cent. on the paid-up Stock, and to pay the Shareholders Income Tax thereon, together amounting to \$238,612.70. The remaining sum of \$10,435.33 was added to the Contingent Account, which now stands at \$121,514.52. The Reserve Fund remains at \$1,450,000.

The Directors note with pleasure that the receipts for principal and interest from Mortgagors were considerably in excess of those for the previous twelve months.

From the same causes as were referred to in last year's report, the demand for money on the security of acceptable landed properties was limited. Many applications the Board felt obliged to decline.

All the Debenture Bonds which became payable during the year were renewed, or replaced with new money, at reduced rates of interest. It will be noticed that there is a satisfactory increase in the sum held on Debenture, payable at fixed dates, and a decrease in the sum held subject to notice.

For several years it has been the policy of the Company to restrict the volume of business, to decline to accept offers of additional working capital, and to give special attention to the Company's investments and securities, which, in consequence of the shrinkage in the selling value of all classes of Real Estate, have required more frequent and careful revision than formerly. All properties, that from any cause have become of doubtful character or value, have been disposed of, or have been written down to what, after investigation, is believed to be a safe basis.

Low rates of interest on choice mortgage securities still prevail. While to some extent compensated by the reduced rates paid by the Company, as existing obligations mature, its effect in contributing to diminished profits is observable. Compared with other similar investments, the Directors believe the results of last year's business to be eminently satisfactory, and see no reason for doubting that the Company will still maintain a large and remunerative revenue earning power.

It is with much regret that the Directors have to record that one of their number, Mr. R. K. Burgess, in consequence of impaired health and absence, both of which it is hoped are temporary, felt obliged to tender his resignation. The vacancy at the Board was filled by the appointment of Mr. G. W. Monk.

All which is respectfully submitted.

J. HERBERT MASON,  
*President.*

# FINANCIAL STATEMENT

— OF THE —

## Canada Permanent Loan and Savings Company,

DECEMBER 31st, 1895.

### PROFIT AND LOSS.

	\$	c.		\$	c.
Interest on Deposits, Debentures and Debenture Stock	304,940	05	Contingent Fund, January 1st, 1895	111,079	19
Dividends on Capital Stock	234,000	00	Interest on Mortgages, Debentures, Rentals, etc.	644,242	61
Municipal Tax on Dividends	4,612	70			
	238,012	70			
Cost of Management, Salaries, Directors' Allowances, and Inspection, including Branch Offices	68,898	52			
Charges on Money Borrowed and Lent	21,355	41			
Contingent Fund, December 31st, 1895	121,514	62			
	755,321	80		755,321	80

### ABSTRACT OF ASSETS AND LIABILITIES.

LIABILITIES TO THE PUBLIC.		\$	c.	ASSETS.		\$	c.
Deposits and Interest	\$ 902,319 36			Mortgages on Real Estate	\$11,342,507 16		
Debentures (£1,134,093 Sterling) and Interest	5,555,472 53			Mortgages on other Securities	15,472 94		
Debentures—Currency—and Interest	325,483 00			Municipal Debentures	11,357,980 10		
Debenture Stock (\$200,000 Sterling)	973,333 33			Company's Office Buildings, (Toronto and Winnipeg)	162,659 19		
Sundry Accounts	5,215 52			Accrued Rentals	194,875 26		
		7,761,823	74	Cash on hand	373 54		
				Cash in Banks	317,692 07		
						317,985	61
LIABILITIES TO SHAREHOLDERS.							
Capital Stock paid up	\$2,000,000 00						
Capital Stock (\$3,000,000) 20 per cent. paid	600,000 00	2,600,000	00				
Reserve Fund	1,450,000 00						
Contingent Fund	121,514 52	1,571,514	52				
Dividends unclaimed	124 70						
71st Dividend	104,000 00	104,124	70				
		\$12,037,462	96			\$12,037,462	96

JOSEPH LUCAS, *Acting Secretary.*

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, 1895, and hereby certify that the above statements are strictly correct and in accordance therewith.

J. E. BERKELEY SMITH, } *Auditors.*  
HENRY BARBER, F.C.A., }

Toronto, 3rd Feb'y, 1896.



securities. This is no time to force a sale of defaulting securities. We examined the original reports of the Appraisers: we examined the recent reports of Inspectors and others, who have been sent to examine the properties, and we have ruthlessly cut down everything in excess of what we consider the value of these properties. From the time they have been in default there has not been one cent of interest charged against these defaulting mortgages.

These properties, although they are in default, are, most of them, yielding more or less income. Some of them are paying very well. Some of those which have been written down have been disposed of at a larger amount than we held them at in our books, and a portion of the purchase money paid upon them. The result to me, and I believe to the rest of the directors, has been most satisfactory. The income arising from these defaulting securities—where we have been compelled to take possession—after payment of taxes and for looking after them, nursing them as I call it, has been a very fair rate of interest. I think it is somewhere approaching five per cent. on the average.

The policy of this Company has always been a merciful one. The Company likes to deal indulgently with those who are in default, and borrowers like to come back to us again.

I have much pleasure in seconding the resolution.

Mr. G. W. Monk also spoke in support of the resolution, as follows:—

Mr. President,—As one of the latest additions to the Board, I may be excused for making a few remarks at this stage of the proceedings. I have only been a few months on the Board, but I do not think it can be said that I am new to the Company's business. More than 25 years ago you did me the honor of appointing me an appraiser in the County of Carleton, near Ottawa. I occupied that position for several years, and I did a considerable and profitable business for the company there, and was shortly afterwards promoted to the position of inspector. I acted in that capacity for about twenty years, and during that long time it was my duty to travel over this Province from Toronto east, thoroughly examining the properties held by this Company as security for money lent, assisting in selling such properties as came on hand, and generally attending to the outside business of the company. During that long term of twenty years I went over more properties held as security for this company than, I think, any other one man has done, and I am satisfied from my own personal knowledge that the securities held for the money lent by this company are undoubted. Although depressions take place in certain localities, from circumstances which cannot be controlled or foreseen, yet I hold the security is as safe as it can possibly be by man's ingenuity be made, for money invested in this country.

In the eastern part of the Province some years ago there was a depression equal to that which prevails in Toronto to-day. Property was absolutely unsaleable. I have myself offered as many as 29 properties for sale on one occasion, and not a bid was received for one of them. Such a state of things as that is very unusual, but it may take place in Toronto to-day. These properties have all

been sold or redeemed, and that with very little loss. We did not rush off properties at a loss. We kept them, took care of them, had them well rented, and in due time a demand for them arose. In many instances the tenants purchased them. Our loss scarcely amounted to anything appreciable. It was so trifling that the attention of the stockholders was never drawn to it, so far as I am aware. The same thing will take place here, I have no doubt. As time goes on people, by living economically and husbanding their resources, will be able to purchase homes and farms for themselves. What properties we hold, as Mr. Cawthra has said, are not dead stock. They are bearing interest, or rather rental, which is equivalent in some cases to the interest we should receive if we had the money to invest as a loan, instead of the property under rental.

With the large experience I have had, therefore, I have not the slightest hesitation in assuring you, that, as far as my knowledge goes, nothing could be more satisfactory than the state the Company's business is in to-day.

The motion was unanimously carried.

It was moved by Mr. C. S. Gzowski, Jr., seconded by Mr. Alfred Myers,

“That the thanks of this meeting be given to the President, Vice-President and Directors for their careful and successful supervision of the Company's business during the past year, and that the compensation now voted to them be the same as in the preceding years.” Carried.

It was moved by Mr. W. G. Gooderham, seconded by Mr. S. Nordheimer,

“That the Shareholders desire to express their thanks to the Managers and Staff of the Office, to the Solicitors and Appraisers, and to the Agents of the Company in Manitoba, British Columbia and Great Britain, for their zealous and efficient services in the management of the affairs of the Company during the past year.” Carried.

It was moved by Mr. A. Nordheimer, seconded by Mr. William Spry,

“That the thanks of this meeting be presented to the Auditors for the past year, and that they be paid as follows:—Auditors of Head Office accounts \$400 each, Auditor of Manitoba Branch accounts \$150, Auditor of British Columbia Branch accounts \$100; and that Messrs. J. E. Berkeley Smith and Henry Barber be appointed to audit the accounts of the Company at Head Office, Mr. William Nichols to audit the accounts of the Company at the Manitoba Office, and Mr. W. F. Salebury to audit the accounts of the Company at the British Columbia Office for the current year.” Carried.

The election of Directors was then held, and resulted in the unanimous re-election of Messrs. Edward Hooper, W. G. Gooderham, W. D. Matthews and G. W. Monk.

At a subsequent meeting of the Board, Messrs. J. Herbert Mason and Edward Hooper were respectively re-elected to the office of President and Vice-President.