

THE TRADERS BANK OF CANADA

Proceedings of the Twenty-sixth Annual General Meeting.

The twenty-sixth Annual Meeting was held at noon on Tuesday, the 24th of January, 1911.

The following Directors and others were present, namely:

A. H. Brown, Wm. Stewart, E. Galley, Edwin J. Thorpe, Jas. Linton, Rev. Wm. Cooper, N. E. Soule, Andrew Semple, Geo. Le Riche, Rev. J. S. Williamson, S. Dillon Mills, Jas. Burnside, Jun.; H. L. Lovering, M. Garvin, J. K. Niven, Jas. Anthony, A. M. Scott, Dr. Carrique, E. Dickinson, Jun.; Julius A. Halbaeus, L. Bauer, H. L. Playnter, R. L. McIntyre, T. J. S. Skinner, Harry G. Horton, G. Tice Bastedo, Dr. Jas. Wallace, Geo. Watson, C. D. McLeod, Dr. J. F. Overholt, Jose E. Baillie, Gideon Grant, P. A. Vale, F. J. Winton, A. G. Knowles, E. C. Jackson, E. E. Newman, A. B. Ord, R. H. Harvey, J. A. Laird, W. G. G. Turnbull, Geo. Mair, E. W. Bain, H. S. Strathy, C. D. Warren, Hon. J. R. Stratton, E. F. B. Johnston, K. C., C. Klopfer, W. J. Sheppard, Misses E. and L. Hedges, George F. Hedges, Mrs. G. F. Hedges.

The President, Mr. C. D. Warren, took the chair, and appointed the General Manager to act as Secretary of the meeting.

On motion, Messrs. Geo. Le Riche and Edward Galley were appointed scrutineers.

The General Manager then read the following statement:

Statement of the result of the business of the Bank for the twelve months ending 31st December, 1910:

The net profits for the twelve months, after making provision for bad and doubtful debts, and reserving accrued interest, amounted to \$ 524,351 39
Balance at credit of Profit and Loss last year 102,443 40

Appropriated as follows, viz.:

Dividend No. 56, quarterly, at the rate of 8% per annum	87,090 00
Dividend No. 57, quarterly, at the rate of 8% per annum	87,090 00
Dividend No. 58, quarterly, at the rate of 8% per annum	87,090 00
Dividend No. 59, quarterly, at the rate of 8% per annum	87,090 00
Transferred to Rest Account	100,000 00
Written off Bank furniture and safes	15,000 00
Transferred to Officers' Guarantee Fund	5,000 00
Transferred to Officers' Pension Fund	5,000 00
Balance at credit of Profit and Loss, new account	153,434 79
	\$ 626,794 79

GENERAL STATEMENT, 31ST DECEMBER, 1910.

ASSETS.

Gold and silver coin current	\$ 4,750 57
Dominion Government Demand Notes, 3,843,353 00	
	\$ 4,331,103 57
Notes of and checks on other Banks	2,020,936 82
Balance due from other Banks	291,070 56
Balance due from Foreign Agents	1,154,912 70
Dominion and Provincial Government Securities	561,569 37
Railway and other Bonds, Debentures and Stocks	1,726,172 48
Call and Short Loans on Stocks, Bonds and other Securities	1,445,605 24
Call and Short Loans on Stocks, Bonds and other Securities in United States	200,000 00
	\$11,731,370 74
Bills discounted current	\$32,810,351 82
Notes discounted overdue (estimated loss provided for)	74,608 75
Loans to other Banks, secured	7,250 77
Deposit with Dominion Government for security of general Bank Note circulation	167,374 13
Real Estate, the property of the Bank other than the Bank premises	3,509 05
Mortgages on Real Estate sold by the Bank	24,500 00
Bank Premises	2,093,332 22
Bank furniture, safes, etc.	240,439 41
	35,421,366 15

LIABILITIES.

Capital Stock paid up	\$ 4,354,500 00
Rest Account	2,300,000 00
Dividend No. 59, payable 3rd January	87,090 00
Former Dividends unpaid	602 52
Interest accrued on deposit receipts	4,351 85
Balance of profits carried forward	153,434 79
	6,899,979 16
Notes of the Bank in circulation	\$ 3,790,080 00
Deposits bearing interest, including interest accrued to date	\$29,077,697 41
Deposits not bearing interest	7,000,137 18
	36,077,834 59
Balance due to other Banks in Canada	20,786 14
Balance due to Foreign Agents	364,057 00
	40,252,757 73

\$47,152,736 89

STUART STRATHY, General Manager.

General Manager's Address.

After reading the above report, the General Manager reviewed it as follows: The statement just read, exhibiting the condition of the affairs of the Bank, will, I am sure, meet with your approval, as it shows a steady growth in all departments. You will see by it our deposits now aggregate over \$36,000,000, which, by comparison with the deposits of a year ago, show an increase of \$6,200,000, an amount almost equal to the total deposits of the Bank ten years ago. You will see that we have employed these additional funds to the extent of \$5,500,000

in commercial credits. Naturally, the earning powers of the Bank have increased, and this is reflected in the net profits, which amount to \$524,351, as against \$457,082 last year.

During the year we have opened eleven new offices, the expenses in connection with which have been taken out of this year's profits. The points are: Beiseker, Alberta; Erskine, Alberta; Haileybury, Ontario; Matheson, Ontario; Munson, Alberta; Porcupine, Ontario; Rosetown, Saskatchewan; South Fort George, B. C.; Steelton, Ontario; Stewart, B. C.; Wroxeter, Ontario.

The sum of \$384,360 has been distributed to Shareholders in dividends; \$100,000 added to Reserve Fund, which now amounts to \$2,300,000; the usual appropriation of \$10,000 has been made to officers' guarantee and pension funds, and \$15,000 written off furniture account, and the sum of \$153,434.79 carried forward to the credit of Profit and Loss new account.

Referring to circulation account, this now stands at \$3,790,000, as against \$3,060,000 last year. Indeed, in all departments of the Bank, the general growth of the country has been satisfactorily reflected. To show this we will make a comparison with the figures of the Bank ten years ago:

	1900.	1910.
Capital paid up	\$1,000,000	\$ 4,354,500
Rest Account	150,000	2,300,000
Deposits	6,528,190	36,077,834
Circulation	987,000	3,790,000
Total Assets	9,177,385	47,152,736

Referring to Bank Premises account, we now own 32 properties, including Toronto office, all standing in the name of the Bank, the value of which is shown in the statement before you.

Our Shareholders are constantly increasing, and now number 1,813.

It is not needful for me to refer to the wonderful progress the country at large is making. This prosperity is manifest to all. Suffice it to say, our Branches extend fairly well throughout the Dominion, and we are in an excellent position to take advantage of the growth of the country, and confidently look forward to a steady increase in the earnings of the Bank. We have paid a conservative rate of interest to our Shareholders since 1885, and in the meantime have built up a reserve, to protect your capital, to the extent of \$2,300,000. Our foundations are well and truly laid, and with the natural growth and prospects of this country, perhaps the equal of which does not elsewhere exist, we have every reason to look forward to the future with the greatest confidence, feeling that the property committed to our care will continue to make a reasonable return to its Shareholders.

All of the Branches of the Bank, including the Head Office, have been inspected during the year. I am conscious that the result of the Bank's operations for the past year, as shown to you by the statement now before you, could not have been accomplished except for the loyalty and efficiency of the staff of the Bank. It affords me greatest pleasure to bear testimony to their devotion to the interests of your institution.

President's Address.

Gentlemen,—I have much pleasure in moving the adoption of the report for the year 1910.

Much of the general prosperity of our Canadian Banks is doubtless due to the great advancement this country has made within the past few years. A large increase in our population, and the continued development of the Northwest, have added very materially to the wealth of Canada. The extensions of our great railway systems and our rapidly-growing trade with other countries, have placed this Dominion on a very high level of commercial importance. Banks are becoming every day a more important factor in meeting the increased demands made upon capital and credit for aid in the inauguration of substantial industries and the enlargement of general business. The result is that our banking institutions have become, in a material sense, the moving power in all national works, as well as the necessary adjunct of private enterprise. A wide field is thus opened up with satisfactory results. Securities are improving in character and value. Investments are found to be amply protected. Payments are being more promptly met than formerly. Everything of a financial and commercial character is becoming more substantial. Money is now utilized in larger and more profitable enterprises than at any time in the history of banking. The outlook for the future is most favorable. Add to these facts the rapid strides which our rich North and Western Canada is making, and the prosperous condition of the older Provinces, and it is reasonably safe to say that with careful management and prudent investments, banks occupy a

stronger position to-day than they have ever done.

The fact that the failure of one or two smaller banks has not affected the standing of the existing institutions, shows that our banks are on a solid basis. With anything like careful and conservative management, failure cannot happen. If the interests of the shareholders and depositors are safeguarded by watchfulness and business methods on the part of the management and directors, the assets of a bank must always be greater than its liabilities, and whilst this is the state of affairs, the public are safe. Your Directors have always adhered to this principle, and have spared neither time nor consideration in watching all the outgoings of your money. The securities have been closely scrutinized. Investments in the slightest degree of a speculative character have been avoided. As a result, we believe that our present record will appeal to the shareholders in a convincing manner, and afford them good ground for the confidence they have in the management. It should be remembered that this bank has only been in existence about half the lifetime of others of about the same volume of business. As a reward to the management and all concerned in the welfare of the Bank, it is pleasing to note that our deposits have increased over last year by six millions, a condition which could not have been created except by thoroughly good management on the part of the Bank officials and the confidence which such management always brings about.

There have been eleven new branches opened during the year. This was rendered necessary by reason of the expansion of the Bank, as well as of the business requirement of the country at large. For a short time, several of these branches cannot be expected to pay, except indirectly, but our experience is that if branches are opened in proper localities they soon begin to yield a profitable return on their own account, and increase the earning power of the bank as a whole by affording commercial connection, and adding to our facilities to do business.

Our premises still continue to give us a good return for the investment.

For instance, the Head Office building gave 5½ per cent. net for the year. Every room is occupied by desirable tenants. Owing to the increase in the business, it has been found necessary to utilize the large room at the entrance on the ground floor for Savings Department purposes. Already the convenience of this to depositors is felt, and we are beginning to reap the advantages accordingly. You will observe that your Directors have not this year written off any sum on premises account. The reason is very simple. The property is worth much more than it was a couple of years ago owing to the large increase in the value of real estate in a central location like this. The frontage is about 94 feet. The land alone has, on a very moderate estimate, increased in value \$2,500 per foot over what was paid for it a few years ago, so that the property is really worth \$225,000 more than it stands on the books to-day. To write off any amount under these conditions would not be justifiable, when the sole object is to present a true account of the Bank's affairs to its shareholders.

The policy of the management looks to the making of valuable connection in various parts of Canada, as shown by the character and extent of our new branches, and also to do everything reasonably possible towards making our Reserves and Rest strong and substantial. The amount carried to Rest account this year is very gratifying. After payment of all necessary obligations, and providing for bad and doubtful debts and contingencies, we are able to place \$100,000 to Rest account and we have increased our profit and loss account by \$50,991.89 over last year, this account now standing at \$153,434.79. And you will bear in mind that these objects have been accomplished notwithstanding the fact that we paid an increased dividend, now amounting to 8 per cent., and involving an extra yearly payment out of profits of about \$44,000.

The office of auditor to the board has been found to be of the greatest value. By means of the industry and care of this official, we are continually kept in close touch with all that concerns the welfare of the Bank. Details and com-