

less than the average amount of loss - a result which, we feel assured, will be looked upon with satisfaction by you and by all who feel an interest in the prosperity of the Ontario Bank.

The harvest of the past year was below an average one, but the active demand prevailing, and the high prices obtained for all descriptions of farm products, together with the general prosperity that attended other branches of industry, have caused a degree of prosperity to abound in the Province of Ontario, where the operations of the bank are mainly carried on, that has seldom been equalled.

A monetary crisis of considerable severity passed over the country last autumn, produced mainly (as we believe) by the suspension of the Commercial Bank, but intensified by a general feeling of distrust on the part of the public. The monied institutions of the country felt constrained for their own security, as well as that of their customers, to withhold for a time the facilities usually granted for moving crops, and for carrying on their ordinary business operations. The result of the panic, which happily only lasted for a short time, caused a good deal of commercial derangement, and produced some temporary inconvenience and loss. The prompt manner in which the Commercial Bank met all its liabilities to the public, should convince the most sceptical, that under any circumstances the creditors of our chartered banks are perfectly safe.

Various causes having been assigned by the public for producing the crisis or panic alluded to, it was deemed proper by one branch of the Dominion Parliament to appoint a special committee to enquire into and report upon the whole matter. The Committee's reports have already been made public through the press and otherwise; and your Directors feel that no further allusion need be made to them, excepting to state, that the answers elicited in reply to the questions propounded by the Committee shewed a unanimity of sentiment entertained by all conversant with the facts, and seldom attained on any subject which may be made one of special enquiry. Your Directors trust that the labour of this Committee will not be lost, but that it may have that weight attached to it which its importance, and the source from which it emanated, entitles it to.

The charters of nearly all the banks in the Provinces of Ontario and Quebec will expire in years 1870 and '71; and it is understood that legislation affecting them will take place during the next session of the Dominion Parliament. A parliamentary committee of the House of Commons was struck during the last session with that object in view. What that legislation may be it is of course impossible to foreshadow; but your directors venture to express the hope that the system partially introduced in 1866, which has already seriously disturbed commercial undertakings and curtailed the facilities previously afforded by the banks to the country generally, will not only not be extended but abandoned.

Your Directors, in their last annual report, expressed their gratification that measures had been taken to extend the trade with the Maritime Provinces by more direct and closer commercial relations, the necessity for which had arisen in consequence of the abrogation of the Reciprocity Treaty; and they also expressed the hope that those efforts might be attended with success. They fear, however, that the late legislation of the Dominion Parliament has been such as will divert this trade into other channels, and dispel the hope that they then entertained for its success.

The prospects of an abundant harvest, and the hopes of the husbandman were never more gratifying than at present. Largely interested as your Bank is in the success of the agriculturist, it is equally so in that of the manufacturer; prominent among which are those engaged in the sawed lumber trade. Your Directors are happy to be able to state that the prospects for this branch of industry, which for some time past has been depressed, are now much more encouraging. Your Bank cannot but feel benefited by the impulse that will be given to trade and commerce if the expectations now raised shall be realized.

Your Directors have deemed it advisable to close the Dundas branch of your Bank.

Your Board regret to have to announce the death of one of their co-Directors, who for many years has filled the office of Vice-President of the Bank, and been a member of the Board from its formation. Mr. Mann's urbanity and constant attendance at the Board meetings, and his great anxiety to promote the interests of the Institution, cause his loss to be severely felt and regretted. And while the last tokens of respect have this day been paid to his memory, by following his remains to their last earthly resting place, the Board desires to extend to his family and relatives their sympathy in their affliction.

A careful and thorough inspection has been made by the President, Directors, and Cashier of the books and assets of the Head Office and Branches; and we have much pleasure in reporting that everything was found perfectly correct. The Cashier, Managers, and other officers have discharged their respective duties to the satisfaction of your Board, and we consider them fully entitled to your thanks.

The profits of the last year, after payment of all current expenses, and making provision for interest on Deposits, and discount on U. S. current funds, is

.....	\$220,361 37
To which add balance at credit of profit and loss from last year.....	23,429 57
	\$243,790 94

Which has been appropriated as follows:—

To payment of dividend, 1st of December last.....	\$79,997 00
To dividend payable 1st of June instant.....	80,000 00
To Government tax on circulation.....	2,375 06
To amount written off for losses accruing from previous years.....	22,177 46
To usual reduction in Bank property.....	4,000 00
To added to reserve.....	30,000 00
	218,550 12

Leaving a balance at credit of profit and loss account of..... \$25,240 82  
All of which is respectfully submitted.

(Signed,)  
J. SIMPSON, President.  
JOHN J. ROBSON, Secretary.  
Ontario Bank,  
Bowmanville, 1st June, 1868. }

General Statement of the Affairs of the Bank, as on Tuesday, the 26th day of May, 1868.

ASSETS.

Gold, Silver, and Provincial Notes on hand.....	\$544,194 34
Government Securities.....	206,892 00
Balances due by other Banks.....	138,914 80
Notes and Cheques of other Banks.....	150,329 90
Bank Property.....	152,487 98
Notes and Bills discounted.....	4,193,546 54
	\$5,386,366 25

LIABILITIES.

Capital Stock.....	\$2,000,000
Circulation.....	1,656,178
Deposits not on interest.....	\$994,406 85
Do. on interest.....	859,842 92
	1,854,249 77
Balances due to other Banks.....	126,316 88
Dividends unclaimed.....	2,036 67
Dividend No. 22, payable 1st June.....	80,000 00
Reserve Fund.....	230,000 00
Profit and Loss.....	25,240 82
Interest and Exchange reserve.....	12,344 11
	5,386,366 25

D. FISHER, Cashier.  
Ontario Bank,  
Bowmanville, May 26, 1868.

Moved by Wm. Sisson, Esq., seconded by H. A. Massey, Esq.,  
Resolved—That the report of the President and Directors, together with the general statement of the affairs of the bank now submitted, be received, adopted and printed for the information of the shareholders.

Moved by C. Draper, Esq., seconded by T. Tamblin, Esq.,  
Resolved—That the thanks of the shareholders are hereby given to the President and Di-

rectors for their efficient management of the affairs of the bank during the past year.

Moved by H. A. Massey, Esq., seconded by Wm. Windeal, Esq.,

Resolved—That Messrs. C. Draper, Malcolm Galbraith and R. H. Turner be scrutineers of this election, and that they report the result to the cashier.

Moved by Dr. McGill, seconded by F. Hatch, Esq.,

Resolved—That the balloting now commence, and that it be closed at half-past two o'clock; but if at any time ten minutes shall have expired without a vote being tendered, the ballot may be closed by the scrutineers.

Moved by Dr. Allison, seconded by Samuel McMurtry, Esq.,

Resolved—That the chairman do now leave the chair, and that H. A. Massey, Esq., be requested to take the same.

Moved by A. Farewell, Esq., seconded by S. Vanston, Esq.,

Resolved—That the thanks of the meeting are hereby given to the President for his efficient services in the chair.

Moved by T. N. Gibbs, Esq., seconded by J. Simpson, Esq.,

Resolved—That the thanks of the meeting be given to J. J. Robson, Esq., for his services as Secretary.

The following is the report of the scrutineers:—

To David Fisher, Esq., Cashier Ontario Bank: Sir,—We, the undersigned scrutineers, appointed at the annual meeting of the shareholders of the Ontario Bank, held this day, do declare the following gentlemen duly elected as Directors for the current year, viz.:—Hon. John Simpson, Hon. W. P. Howland, Thomas N. Gibbs, J. P. Lovekin, Wm. McMurtry, James Dryden and Capt. R. T. Raynes.

Signed, C. Draper, M. Galbraith, R. H. Turner, Scrutineers.

Bowmanville, 1st June, 1868.

The Board of newly elected Directors met immediately after the report of the scrutineers, and re-elected the Hon. J. Simpson, President, and T. N. Gibbs, Esq., M.P., Vice-President.  
D. FISHER, Cashier.

VICTORIA MUTUAL INSURANCE COMPANY.—

The Fifth Annual Meeting of this Company was held in Hamilton, on the 1st June. Geo. H. Mills, Esq., President, in the chair. The attendance of members was large. The President read the notice calling the meeting. The Secretary read the minutes of the previous annual meeting, which were confirmed, and then read the report, which is as follows:

The number of policies in force at this date is 4,789, insuring the sum of \$3,419,721, while on the first day of June, A.D. 1867, they numbered but 2,766, insuring \$2,092,654, thus showing the large increase over last year of 2,023 in number of policies, and \$1,327,067 in amount insured. The premium notes in hand, after deducting all payments and assessments, amount to \$56,640 15, making, with other securities, a total of \$85,835 78 as legitimate assets for the payment of future losses. Reinsurance has been effected with other Companies to the extent \$142,946 in 196 policies, reducing the average amount of each policy at risk of this Company to \$684 23.

In reviewing the business of the past year it has been found that a number of proposals for insurance have been declined, and although in a few instances individuals may have felt themselves aggrieved by such action, your Directors, acting upon the report of the examining committee, (whose duty it is carefully to consider each application and report thereon), are of opinion that the interests of the Company have been promoted by this course. The 'Instructions to Agents,' adopted by the late Board, have, so far, well met the requirements of the Company, only slight amendments having been found necessary, and those relating to the extension of the business.

It becomes the duty of your Directors to report that influences have been used to induce them to abandon in a measure the security afforded by premium Notes, in favor of what may be styled the 'Cash System.' The subject has received careful consideration, and although