

Mortgages on real estate sold in Provinces of Quebec and Ont..	57,153 00
Bank premises and bank furniture in Provinces of Quebec and Ontario	124,277 80
	<u>\$7,660,087 22</u>

JAMES STEVENSON, Cashier.

Quebec Bank, 15th May, 1886.

The cashier gave some further information touching the affairs and business of the bank which was received by the shareholders present, with manifest marks of satisfaction. He spoke to the following effect:—

GENTLEMEN,—You are informed that the bank has recently acquired a valuable property in the most important part of the city of Toronto, upon which a handsome and suitable banking house is now being built. The acquisition of this property will not necessarily increase our expenses, for a portion only of the building will be required for the accommodation of the bank. The rest will be divided into offices and places of business, which have already been let to advantage in anticipation, and will produce a fair revenue in relation to the expenditure.

You are informed that the general business of the bank has been maintained. I may further state that the financial position of the bank has been considerably improved since the directors last had the pleasure of meeting the shareholders.

At this time last year the balance sheet (of which you have a copy) showed the amount of overdue debts secured	\$ 481,815
These have now been reduced to	167,207
Overdue debts not specially secured	45,793
Now reduced to (and estimated loss provided for)	43,920
Real estate in the Provinces of Quebec and Ontario (other than bank premises) and mortgages	131,573
Reduced to	106,279
The profits for the fiscal year 1885 were	244,051
This year they are	248,165
The total loans and investments by the statement submitted last year were	6,714,620
These are this year	6,715,326

Although we may not feel disposed to speak definitely regarding the future of business, we would not give expression to feelings of despondency. We are perhaps too much given to despond and to depreciate the prospects of Quebec. Our leading journal the *Morning Chronicle* referring, in an ably written article, to "the sharp twinge of depression" bids us be hopeful. No doubt the landed and agricultural interests have been affected by the low price of produce; but I have yet to learn that it is a misfortune to have cheap food in the country. I am not aware that our manufacturing interests are suffering. I have opportunities of forming a correct opinion upon this subject, and nothing gives me greater pleasure than to state that the manufacturing industries of Quebec appear to be in a prosperous condition. You would be pleased to learn the amount of work carried on at the several factories, and the number of hands employed in tanneries, boot and shoe factories and in connection with other industries.

There are besides agencies at work calculated to improve our prospects. Some years ago a wooden railway was designed between Quebec and St. Raymond, and partly built. The enterprise proved a failure, but nevertheless out of this undertaking emanated the Lake St. John Steel Railway, over which we can travel comfortably and speedily on a first-class carriage, not only as far as St. Raymond, but fifty miles beyond on the way to Lake St. John, a lake one hundred miles in circumference, to some extent already settled by an industrious agricultural population. The lake will be reached in 1887, and the traffic on the road will no doubt increase from year to year. With such facilities of access to a lake surrounded by fertile lands, we may reasonably hope at no distant day to find a thriving and increasing population settled on its shores.

The Hon. J. G. Ross then moved, seconded by Robert Brodie, Esq., the adoption of the report and statement; carried.

On motion of J. W. Henry, Esq., seconded by the Rev. W. B. Clark, the thanks of the meeting were given to the president, vice-president and directors for their valuable services

during the past year. The president replied for himself and the other directors, thanking the shareholders for the expression of satisfaction.

It was then moved by S. J. Shaw, Esq., seconded by S. J. Simmons, Esq., that the thanks of this meeting be given to the cashier, inspectors, managers, and other officers of the bank for the efficient manner in which they have discharged their duties. For this the cashier returned thanks in his own behalf and on the part of the other officers of the bank.

A ballot being taken the scrutineers reported the following gentlemen elected to serve on the Board for the ensuing year: Hon. James G. Ross, William Withall, Esq., Sir N. F. Belleau, K. C. M. G., Messrs. R. H. Smith, William White, J. R. Young, G. R. Renfrew.

EASTERN TOWNSHIPS BANK.

The annual general meeting of the shareholders of this bank was held at its head office, Sherbrooke, Que., on Wednesday, 2nd day of June instant, a small number of shareholders being present.

The general manager having read the notice calling the meeting, on motion of Rev. A. C. Scarth, seconded by Major I. Wood, the president, R. W. Heneker, Esq., was elected chairman.

Mr. Wm. Farwell, the general manager, was elected secretary, and Rev. A. C. Scarth and Miles Williams were elected scrutineers of votes.

The secretary then read the minutes of the last annual meeting, which were confirmed.

The president, on behalf of the board, then submitted the report of the directors, as follows, viz.:

REPORT.

The directors have the pleasure to lay before the shareholders the Balance Sheet at the 15th May last, and the Profit and Loss Statement of the past year.

The affairs of the bank continue to prosper, although marked with that quiet character due to the peculiar nature of the times.

The net profit has been nearly \$9,000 in excess, and the balance of profit carried forward is nearly \$8,000 in excess of last year. This must be taken to be a not unsatisfactory result, considering the difficulty of placing money as compared with even moderate rates in former times. It is during such times as have lately prevailed that caution in banking is needed, lest the desire to pay large dividends and build up a large reserve should cause risks to be run, which in ordinary prosperous years would be avoided.

The accounts have been carefully audited and closely scrutinized, and the securities examined, and the directors feel that the bank is in a sound financial condition.

The shareholders must have heard with sorrow of the unexpected decease of the late Mr. T. S. Morey.

The directors have lost in him a faithful colleague, and the shareholders a man zealous at all times for the interests of the bank, and able by his being out of business to devote a great deal of time to its affairs. In a service of many years he proved himself a wise counsellor, and a courteous gentleman.

The directors at their meeting yesterday declared a dividend of $3\frac{1}{2}$ per cent. for the past half year.

The whole respectfully submitted, on behalf of the directors.

R. W. HENEKER,
President.

PROFIT AND LOSS STATEMENT FOR YEAR ENDING MAY 15TH, 1886.

Balance at credit of profit and loss carried forward from 15th May, 1885	\$ 4,093 41
Profit at head office and branches, after deducting charges of management, interest due depositors, and providing for bad and doubtful debts	109,230 71
	<u>113,324 12</u>
Deduct dividend of $3\frac{1}{2}$ per cent., paid January 2nd, 1886, \$50,732.01, and dividend of $3\frac{1}{2}$ per cent., payable July 2nd, 1886, \$50,732.01	101,464 02

Balance of profit and loss carried forward	\$ 11,860 10
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GENERAL BALANCE SHEET, MAY 15TH, 1886.

Liabilities.

Capital paid in	\$1,449,488 70
Reserve fund	\$ 375,000 00
Profit and loss	11,860 10
Dividend No. 53 of $3\frac{1}{2}$ per cent., payable 2nd July next.	50,732 01
	<u>437,592 11</u>
E. T. Bank bills in circulation	694,869 00
Dominion deposits on demand	49,319 01
Provincial deposits on demand	30,958 06
Other deposits on demand	305,979 87
Other deposits after notice	1,481,019 88
Dividends unclaimed	2,156 43
Due other banks in Canada	26,423 45
Due banks in United Kingdom	11,327 72
Other liabilities	4,693 51
	<u>2,606,746 93</u>
	<u>\$4,493,827 74</u>

Assets.

Specie	\$ 108,165 41
Dominion notes	95,411 00
Bills and cheques on other banks	34,884 66
Due from other banks in Canada	123,682 11
Due from other banks not in Canada	122,646 46
Due from other banks, secured ..	28,424 16
	<u>513,213 80</u>
Bank premises and furniture	101,700 00
Current loans, discounts and advances to the public ..	3,674,323 44
Dominion Government debentures ..	13,000 00
Other assets	9,877 17
Notes and bills overdue & other debts secured by mortgage and real estate	153,267 09
Notes and bills overdue and other overdue debts, not specially secured (all estimated loss provided for)	28,446 24
	<u>3,980,613 94</u>
	<u>\$4,493,827 74</u>

WM. FARWELL,
General Manager.

The president then addressed the meeting, comparing the position of the bank with previous years, referring to the difficulty experienced in making safe loans at remunerative rates, the reduction in rate of interest on deposits, the mining interests of the country, and the manufacturing interests in Sherbrooke—which had been fairly prosperous, also to the labor troubles—which had so seriously affected business in the United States, and to the extension of the Canadian Pacific Railway—which he expected would shortly give Sherbrooke another connection with Montreal. In closing, he referred in a feeling manner to the loss the bank had sustained in the death of his late co-director, Thos. S. Morey. He then moved that the report be received, adopted and printed for distribution.

The motion was seconded by Hon. G. G. Stevens, and after remarks by Messrs. Miles Williams, of Montreal, G. H. Pierce, of Richmond, and others, was unanimously passed.

On motion of Rev. A. C. Scarth, seconded by Major I. Wood, it was unanimously

Resolved,—That the shareholders of the Eastern Townships Bank, here present, in annual meeting assembled, join with the directors in the expression of sorrow at the unexpected death of the late Mr. Thos. S. Morey, who for many years in the position of director of this institution, acted with great zeal and devotion for the interests of the shareholders. They desire at the same time to express their