CANADIAN BANK OF COMMERCE

REPORT OF THE PROCEEDINGS OF THE THIRTY-SECOND ANNUAL MEETING.

The annual meettng of the shareholders of the Canadian Bank of Commerce was held in the banking house on Tuesday, the 20th inst., a large numbe of shareholders being present.

The president, Hon. George A. Cox, was requested to take the chair, and Mr. A. H. Ireland, the inspector, read the report of the directors as follows :—

REPORT.

The directors beg to present to the shareholders the thirty-second annual report, covering the year ending 31st May, 1899, together with the usual statement of assets and liabilities :—

The balance at credit of Profit and Loss Accounts, brought forward from last year, was	$ 42,935 57
The net profits of the year ending 31st May, after providing for all bad and doubtful debts, amounted to	542,802 06
	$585,738 53
Which has been appropriated as follows :—	
Dividends Nos. 63 and 64 at 7 per cent. per annum	$420,000 00
Transferred to Pension Fund	10,000 00
Written off Bank premises	100,000 00
Balance carried forward	55,738 53
	$585,738 53

FINANCIAL STATEMENT

The usual careful revaluation of the entire assets of the bank has been made, and all bad and doubtful debts have been amply provided for

It will be seen that the bank has shared very satisfactorily during the past year in the improvement in business which has been so marked throughout North America. The profits would have permitted a substantial addition to the reserve fund, but, in view of the large expenditures made during the year in the purchase of properties at Winnipeg, Vancouver, Toronto, and elsewhere, on some of which buildings are being erected, the directors decided to apply $100,000 out of the year's profits in reduction of the bank premises account.

The rapid expansion of business has caused banks generally to receive an unusual number of requests to open branches in various parts of Canada. We have had our share in this movement, but have felt obliged to refuse the majority of such applications. In accordance, however, with the policy inaugurated last year ef establishing ourselves in the great mining districts of Western Canada, we have opened the following branches in British Columbia :—Vancouver, Fernie, in the Crow's Nest Pass ; Cranbrook, in the East Kootenay district ; Greenwood, in the Bonndary creek country ; and Atlin, in the Northern Gold Fields. We have also opened an agency at Skagway, Alaska. In Ontario we have oponed a branch at Port Perry.

The various branches, agencies, and departments of the bank have been inspected during the year.

The directors have again pleasure in recording their appreciation of the efficiency and zeal with which the officers of the bank have performed their respective duties.

GEO. A. COX,
President.

Liabilities

Notes of the Bank in circulation		$ 3,308,420 00
Deposits not bearing interest	$ 5,091,916 69	
Deposits bearing interest, including interest accrued to date	22,634,446 70	
		$27, 26,336 39
Balances due to other banks in Canada		35,972 00
Balances due to agents in Great Britain		1,285,102 77
Dividends unpaid		1,129 17
Dividend No. 64, payable 1st June		210,000 00
Capital paid up	$6,000,000 00	
Rest	1,000,000 00	
Balance of Profit and Loss Account carried forward	55,738 53	
		7,055,738 53
		$39,682,786 10

Assets.

Specie	$ 445,344 62	
Dominion notes	1,088,821 00	
		$ 1,534,165 62
Deposit with Dominion Government for security of note circulation		169,961 82
Notes of and cheques on other banks		1,286,747 57
Balances due by other banks in Canada		142,484 86
Balances due by Agents of the Bank in the United States		3,385,861 52
Government Bonds, municipal, and other securities		6 508,690 83
Call loans on stocks and bonds		3,489,248 01
		$16,616,150 23
Time loans on stocks and bonds		1,224,909 02
Other current loans and discounts		20,173,151 93
Overdue debts (loss fully provided for)		138,224 34
Real estate (other than Bank premises)		104,881 31
Mortgages		101,524 51
Bank premises		797,705 15
Gold bullion in transit		385,824 33
Other assets		140,915 34
		$39,682,786 16

B. E. WALKER,
General Manager.

The President, in moving the adoption of the report, said :—

PRESIDENT'S ADDRESS.

In inviting you to compare the statement of the Bank now before you with that of last year, my task is a pleasant one, as we have to take note of a growth in the figures on both sides of the account, which should tend to increase the prosperity of the Bank. Last year I called your attention to an increase in our deposits for the year then closed of about four millions of dollars, accompanied by the regret, however, that we had been forced to invest nearly all of this sum in bonds, owing to the lack of demand for money by our ordinary borrowers. This year we have to report a further increase in deposits of about four and a half million dollars, but accompanied by an increase in our ordinary loans of about five million dollars. Last year I stated that there was no special feature in the Bank's affairs accounting for this large increase, and this year I can but repeat the statement. Taking the latest available Government statement and that for the same date two years ago as my sources of information, I find that in 1897 of the entire deposits held by the banks of Canada we held 9.07 per cent. while in 1899 we hold 10.46 per cent. I also find that the growth in deposits for this period of two years by the banks as a whole is 27.85 per cent., while the growth in the case of this Bank is 47.62 per cent.

During the year we have opened seven new offices of the Bank. It is many years since we have increased the number of our establishments so rapidly in so short a time, and while doing so we have also to admit that in Ontario we have declined to open in places occupied later by other banks, although sometimes territory hitherto served by branches already established by us has been cut into and competition thereby increased. We have opened only one Branch in Ontario, that at Port Perry, and it is in a district in which this Bank has not hitherto been represented. Our expansion has been almost entirely in the Far West. We have opened at Vancouver rather because of the inevitable national importance of that city eventually, than of the expectation that a banking business can be rapidly acquired there. In connection with the building of the Crow's Nest Pass branch of the Canadian Pacific Railway we have opened three offices : one at Fernie, where the offices of the Crow's Nest Pass Coal Company are situated ; one at Cranbrook, a point on the railway to which a large share of the business of the East Kootenay district must eventually come ; and one at Greenwood, the chief town in the Boundary Creek country, destined to be a gold and copper mining country of great importanee. These offlces may not be profitable for some time to come, but they put us in a position to share in the mining business of that great country when ore-shipping has actually begun. We have opened a branch in the extreme north of British Columbia at Atlin, but until the close of the first season it will be idle to discuss whether this will be a profitable venture or not. The agency established at Skagway in Alaska was necessary in connection with our business at Dawson and Atlin, and besides there is a moderate volume of business developed directed at Skagway, although perhaps not enough to justify a bank having no other connection with the Northern gold fields. Our branch at Dawson has answered our expectations, which, however, were much more moderate than those of some of our friends, who have had rather wild notions about the possibilities of banking in that country. For the first year large results were hardly to be expected, the expense of sending in our staff, safes, and equipment, and of erecting our building being enormous, not to speak of the equally great cost of maintaining an establishment there. Eventually, however, we shall hope to be rewarded for what has been not only an arduous but a very anxious experiment.

You will expect to hear something regarding our unusual out.