

read, the president, on behalf of the directors, submitted their

## REPORT.

In submitting to the shareholders the balance sheet and profit and loss statements for the past year, the directors feel that they can, without hesitation, offer them their congratulations at the success which has attended the bank's operations during that period.

The times have, it is true, been dull—a continuance of that dullness which has for so long a period prevailed in this Dominion and elsewhere, but notwithstanding, a good result has been achieved through careful administration.

Is is particularly pleasing to be able to show such a record in a year when the national mind is so full of rejoicing and thankfulness that the well-beloved Queen and Empress who for sixty years has wielded the sceptre over the Mother Country and its Colonies, as well as the great Empire of India, is still spared to her subjects.

The directors have thought it proper and desirable to mark this event by the payment of a bonus of one per cent. on the stock to the shareholders (they remembering always that a bonus is not a dividend in the ordinary acceptance of this term), designating it as the Bank's Royal Victoria Diamond Jubilee Bonus, thus marking the year with a "white stone" on this occasion. They confidently anticipate the full approval of the shareholders for this action.

Reference to the profit and loss account shows that after the usual appropriation towards the pension fund, the payment of a bonus of five per cent. on salaries to the staff in December last, and making ample provision for all bad and doubtful debts, the net earnings for the year have amounted to \$158,171.64, equal to ten and a half per cent. on the capital. This must be considered a very satisfactory result.

The increase of \$35,000 to the reserve fund brings that account up to \$785,000, and the directors look forward to being able further to increase this fund from time to time.

It is almost needless to urge that every bank should be able to show a strong reserve fund, for the benefits of such a fund are two-fold. In the first place, it forms an addition to the capital, without any corresponding liability, and, secondly, it is a valuable security to the shareholders, and a safeguard against all possible contingencies. In addition, it creates a spirit of confidence in the public mind, and commands the respect of the commercial community.

Every attention has been given to the affairs of the bank. The accounts have been carefully scrutinized and audited at the end of each half-year, and the branches have undergone careful inspection.

The directors cannot close this report without an expression of hope that the cloud of dullness in all business transactions, which has existed so long, may pass away soon. In this Dominion, and amongst our near neighbors to the south of us, there is abundant room for improvement in the business outlook. The recent Presidential election in the United States was looked upon as the possible turning point in that country; but the long delay in the proper settlement of a tariff both there and in our own Dominion has caused continued stagnation. There is no lack of energy on the part of the people, and the great accumulation of money deposited in banks and other places of deposit would soon find profitable employment if only the business outlook were more promising.

The whole respectfully submitted on behalf of the directors.

R. W. HENEKER,  
President.

PROFIT AND LOSS STATEMENT FOR THE YEAR  
ENDING MAY 15TH, 1897.

Balance at credit of Profit and Loss, carried forward from May 15th, 1896 .....	\$21,808 74
Profit of head office and branches, after deducting charges of management, appropriation towards pension fund, interest due depositors, and ample provision for bad and doubtful debts .....	158,171 64
	<u>\$179,980 38</u>

## Deduct.

Dividend of $3\frac{1}{2}$ per cent. paid 2nd Jan., 1897..	\$52,500 00
Dividend of $3\frac{1}{2}$ per cent. payable 2nd July, 1897	52,500 00

Bonus of 1 per cent. to shareholders, payable 2nd July, 1897 .....	15,000 00
Transferred to reserve fund.....	35,000 00
	<u>155,000 00</u>

Balance carried forward.....	\$24,980 38
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GENERAL BALANCE SHEET, MAY 15TH, 1897.

## Liabilities.

Capital paid in.....	\$1,500,000 00
Reserve fund ....	\$785,000 00
Profit and loss balance .....	24,980 38
Dividend No. 75 of $3\frac{1}{2}$ per cent., payable 2nd July next .....	52,500 00
Bonus of 1 per cent. to shareholders, payable 2nd July next..	15,000 00
Dividends unclaimed.....	3,671 82
	<u>881,152 20</u>

E. T. bank bills in circulation ....	938,975 00
Dominion Government deposits on demand.....	19,932 77
Provincial Government deposits on demand.....	7,212 27
Provincial Government deposits after notice ....	100,000 00
Other deposits on demand.....	667,404 77
Other deposits after notice....	3,176,014 32
Due by other banks in Canada ....	1,245 55
	<u>4,910,784 68</u>
	<u>\$7,291,936 88</u>

## Assets.

Specie .....	\$ 104,174 07
Dominion notes ..	101,783 00
Bills and cheques on other banks..	26,565 37
Due from other banks in Canada	467,417 28
Due from other banks not in Canada.....	272,918 78
Due from other banks in United Kingdom .....	67,469 30
Dominion Government, circulation redemption fund .....	45,435 14
Dominion Government debentures	13,000 00
Provincial Government debentures	51,666 67
	<u>1,150,429 61</u>
Bank premises and bank furniture..	120,150 00
Current loans, discounts and advances to the public .....	5,903,751 06
Real estate, other than bank premises .....	61,800 56
Mortgages on real estate sold by the bank .....	16,011 68
Loans overdue, secured.....	5,973 85
Loans overdue, unsecured.....	31,615 16
Other assets and items in transitu between offices.	2,204 96
	<u>6,141,507 27</u>
	<u>\$7,291,936 88</u>

WM. FARWELL,  
General Manager.

At the conclusion of reading the report and statement, the president moved their adoption in a short speech, in which he congratulated the shareholders on the satisfactory results of the business, and the standing of the bank at this the closing of its thirty-eighth year. Business had been dull during the past year, but great caution had been exercised and every account had been closely scrutinized; while at all times keeping in hand a strong cash re-

serve, they had been able to accomplish the results shown.

He referred to the tariff question, which was agitating the business community, both in the United States and in Canada. Some items of the United States tariff, now under consideration, if passed, would no doubt injuriously affect Canada, but it would be an incentive to turn our attention to the markets of Great Britain and foreign countries, and he hoped with good results. Even now a move was being made in this direction by the lumber dealers, and it was hoped it would prove successful, as when once trade relations were established with those countries it would likely be more permanent and not so liable to fluctuations. The Canadian tariff, even with the changes being made, would no doubt bear very hard on some industries. As first brought down, it would have had a disastrous effect on the woolen business, in which Sherbrooke is specially interested, but he had just been given to understand modifications had been made which would give considerable relief, and it was to be hoped before the final passage of the bill, relief would be given in other directions.

The dairying business of the country—which was a very important one in the Eastern Townships—he was glad to say was in satisfactory condition, and was being largely extended owing to the cold storage system and quick transportation which had been established. No country was more favorably situated than Canada, and especially this section, to do an extensive and remunerative business in dairy products.

Lumbering operations had been very active and fairly profitable.

The mining industry he believed was being prosecuted successfully, especially in asbestos, and the industries at Granby and other points covered by the bank were prosperous.

Senator Cochrane seconded the motion, and after remarks by the general manager, Mr. Pierce, Mr. Read, Judge Alfred, W. Morris, and others, the report was adopted.

On motion by W. Morris, seconded by W. E. Paton, a hearty vote of thanks was also passed to the president and directors.

On motion by John G. Foster, seconded by Judge Alfred, a vote of thanks was also passed to the general manager, managers, and other officers of the bank.

There being no further business, the vote was taken for election of directors, resulting in the election of the old board, viz.: R. W. Heneker, M. H. Cochrane, J. N. Galer, I. Wood, N. W. Thomas, Thomas Hart, Gardner Stevens, T. J. Tuck, John G. Foster.

The meeting then adjourned.

## BANK OF TORONTO.

The forty-first annual meeting of stockholders of the Bank of Toronto was held in the bank offices, Toronto, on Wednesday, 16th June, 1897.

On motion, George Gooderham, Esq., was called to the chair, and Mr. Coulson was requested to act as secretary.

Messrs. Walter S. Lee and Thos. G. Blackstock were appointed scrutineers.

By request of the chairman the secretary read the following

## REPORT.

The directors of the Bank of Toronto beg to present to the stockholders the forty-first annual report of the business of the bank, together with a statement of its affairs.

The commercial depression referred to in preceding reports has increased, and potent factors in this direction have been the uncertainties created by the prolonged conflict over the currency question in the United States and the unsettling influences of proposed tariff legislation both in that country and in Canada.

The net profits of the bank for the year, after making full provision for all bad and doubtful debts, and deducting expenses, interest accrued on deposits, and rebate on current discounts, amounted to the sum of .....	\$208,129 61
Carried forward from last year ..	82,557 79
	<u>\$290,687 40</u>

This sum has been appropriated as follows:

Dividend No. 81, five per cent. ....	\$100,000 00
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