

with this matter, permit me to ask how anything can be called Rest, Reserve, or Guarantee for the security of capital embarked in any line of business, whether it be banking, manufacturing, navigation, or any other channel in which capital finds its uses, if such rest, reserve or guarantee be so invested as to be exposed to all the same risks as the capital from which it derived its existence. For instance,—a man invests his entire capital in navigation, and his balance sheets prove his profits to have been great, but unfortunately the balance sheets show that as said profits accrued they too, like the original capital, have been invested in tonnage, and when war, blockade, or some one of the many vicissitudes come, and to which commerce is ever exposed, he is ruined. Was not his profits, as set forth in balance sheets, as much of a rest, reserve or guarantee, as the much lauded rests of the Canadian banks, the bulk of which are invested in precisely the same manner as the capital, big in bills receivable, and profits based mostly on merchandise in transit, and not as I think, should be the case, in Consols and Government bonds, and thus free from the special risks of banking.

It occurs to me that what is called *rest* will, in time, prove a snare and delusion, and be associated in capitalists' minds, in the same way as the much-abused, so-called, sinking fund.

Who that has read a recent report of one of our banks but must confess, that the *use* made of its rest was an *abuse*, a pretended rest, one in name only, made use of to pay an unearned dividend.

I think the amount represented by *rest* in any bank should be specially and safely invested, the returns from which might very properly be applied to swell the net profits of the institution.

In conclusion, I am inclined to think that the price of the stock of any bank that so invests its rest would soon make it evident that investors in such commodities are fully alive to the desirability and necessity of such a step.

Yours truly,

AN ONTARIO SUBSCRIBER.

June 29, 1874.

To the Editor of the Monetary Times.

In connection with your remarks on the meeting of the shareholders of the Federal Bank, which took place on the 30th June last, it may not be out of place to quote the 27th Sec. of the 34th Vic. cap. 5, in order that all parties connected with banks may know their place and be kept in it.

It reads as follows:—"Shareholders may vote by proxy, but no person but a shareholder shall be permitted to vote or act as such proxy; and no Manager, Cashier, Bank Clerk or other subordinate of the Bank shall vote either in person or by proxy, or hold a proxy for that purpose."

It follows, that if the Federal Bank is a bank within the purview of the Act relating to Banks and Banking, the conduct of its cashier is the exact opposite of what that Act requires, and not only this, but the illegal act or intention has been made public to make the dispute the worse.

Yours respectfully,

BANKER.

[The Federal Bank, as yet, has no cashier.—ED. M. T.]

Meetings.

THE ST. LAWRENCE BANK.

The first annual meeting of the shareholders of the St. Lawrence Bank was held July 2nd in

Toronto, the President, Mr. J. C. Fitch, in the chair.

Among those present were:—Messrs. Joseph Keeler, Hon. Jas. Patton, Q. C., Hon. David Reesor, Silas James, Geo. W. Webb, W. H. Dunsbaugh, John Cowan, A. T. McCord, jr., I. D. Purkiss, R. H. N. Munro, K. F. Lockhart, Geo. D. Morton, M. D., W. F. Allen, Hon. T. N. Gibbs, Francis Shanly, A. Thornton Todd, A. J. Somerville, L. Samuel, R. S. Williams, Adam Spears, D. C. Clark, M. Solomon, James Carrick, J. B. Cummins, R. N. Mair, W. D. Ardagh, M. P. P. W. H. Sparrow, W. Taylor, D. Cowan, A. Brown, Northrup, Col. Geo. T. Denison, James Young, James Lawrie.

The following report was read and unanimously adopted:—

Report.

The Directors have pleasure in presenting this their first annual report to the shareholders of the St. Lawrence Bank.

The Bank was organized on the 18th February, and opened its house for business on the 23rd March, 1873; and, although the times have not been very favourable for arranging an institution of this kind with a small capital, owing to the stringency in the money market since its inception, yet it has done a fair amount of business, as exhibited by the following statement:—

The profits since the opening of the Bank, ending 30th June, 1874 after deducting working expenses, interest reserved, and 10 per cent. reduction on preliminary expenses \$33,136 53

First Dividend, paid 2nd January, 1874... \$12,909 67

Second dividend, paid 2nd July, 1874.... 12,853 60

25,763 27

\$7,373 20

GENERAL STATEMENT

Liabilities

Notes in circulation..... \$368,252 00

Deposits payable on demand.... 354,718 55

Deposits payable after notice.... 102,969 20

Government deposits payable after notice..... 50,000 00

Due to branches and agents.... 8,142 57

Unclaimed dividend..... 522 09

Dividend No 2, payable 2nd July 1874..... 12,853 60

Total liabilities to the public.... \$807,458 11

Capital (subscribed \$760,000) paid up..... 426,130 63

Interest reserved..... 2,202 31

Ten per cent. interest on preliminary expenses..... 2,000 00

Carried to balance of profit and loss account..... 7,373 26

\$1,335,164 31

ASSETS.

Gold and silver coin on hand.... \$30,485 10

Dominion notes, legal tender.... 141,588 00

Notes and cheques on other banks..... 75,562 55

Due by other banks..... 15,036 25

Assets immediately available.... \$262,671 90

Notes and bills discounted, current Notes and bills discounted to corporations..... 25,000 00

Notes and bills discounted overdue and not specially secured 11,000 00

Preliminary expenses and bank furniture..... 20,792 63

\$1,335,164 31

K. F. LOCKHART

Cashier

Your Directors have opened eleven agencies Eight of these are at points where there are no other bank offices, and by the stock taken, and the deposits received, and circulation given, have been a great source of strength to the head office. The usual inspection of the offices has been made, and found satisfactory. In conclusion, your Directors have to state that the Cashier, Managers, and Agents, and other officers of the Bank have discharged their duties with zeal and fidelity. All of which is respectfully submitted.

J. C. FITCH
President.

The foregoing having been read, it was moved by J. C. Fitch, Esq., seconded by Joseph Keeler, Esq., and *Resolved*,—That the Report now read be adopted, and printed for the information of the shareholders. Carried.

Moved by George D. Morton, Esq., M. D., seconded by David Clark, Esq., and *Resolved*,—That the thanks of the shareholders are due, and are hereby tendered to the President, Vice-President, and Directors of the Bank for the care and attention given by them to the interests of the Bank during the year. Carried.

Moved by G. W. Webb, Esq., seconded by L. Samuels, Esq., and *Resolved*,—That Messrs. F. Shanly and R. S. Williams be appointed scrutineers of the election of Directors about to take place and that they report the result to the Cashier. Carried.

Moved by Richard Jarvis, Esq., seconded by I. D. Purkiss, Esq., *Resolved*,—That the poll commence at once and keep open till three o'clock, or until five minutes shall elapse without a vote, in which case the poll shall be closed. —Carried

Moved by Hon. David Reesor, and seconded by Silas James, Esq., That a sum not exceeding three thousand dollars be placed at the disposal of the Board for the remunerations of the President and Directors for their services during the past year; and that such sum may be apportioned among the President and Directors as the Board may at next meeting determine. Carried.

Moved by Hon. David Reesor, and seconded by Silas James, Esq., that the following be added to the existing by-laws of this Bank:—That the remuneration to be allowed to the President and Directors for their services shall be the sum of five thousand dollars per annum, and that this amount shall hereafter be set apart annually out of the profits of this institution, and shall be distributed among the said President and Directors in such manner and in such proportions as the Board may by resolution from time to time determine. Carried.

Moved by Wm. D. Ardagh, M.P.P., and seconded by A. T. McCord Esq., and resolved, That the President do now leave the chair and that the Hon. T. N. Gibbs do take the same.

Moved—That the thanks of this meeting be tendered to the President for his courteous and efficient services at this meeting. Carried

It was moved that Hon. T. N. Gibbs take the chair, and that the thanks of the shareholders be tendered to the President and Vice-President for their attention to the interest of the Bank during the last year.

On Hon. Mr. Gibbs assuming the position of Chairman, he said it gave him a great deal of pleasure to notice the unanimity of the meeting.

In conducting an enterprise, particularly one of the nature in which they were engaged, the chances would be obviously against them without this spirit was observed. He was very much pleased that the report had been unanimously adopted although he expected to hear some remarks to some part of it; but as no objection had been made, he took it for granted that it met with the cordial approbation of the shareholders. The fact of the bank being in such a prosperous condition was one for much congratulation, for he knew from personal ex-