

The above table shows how varied have been the returns; and yet throughout the whole period the dividend of seven per cent. has been maintained, in addition to which the Reserve fund has been increased from \$200,000 to \$500,000. If the earnings be classified as interest alone, it will be found that the average for the ten years has exceeded nine per cent. per annum.

The policy of the directors has been to maintain a steady dividend, and to increase the Reserve fund from time to time, whenever practicable, as the best means of securing that desirable end. The shares of the bank are seldom on the stock market, the stock being held principally for investment, and this, as it shows confidence in the management, entails a corresponding feeling of responsibility on the directors. Whilst avoiding as much as possible a speculative business, the board have always felt it wise to give encouragement to every legitimate enterprise tending to the growth and development of the resources of the country, and many a concern now doing a large and profitable business, and practically almost independent, has been indebted to the bank for the generous support afforded to it in its first start. Some concerns also will be willing to acknowledge the benefits derived from the sound and wholesome advice which an experienced banker can at all times give to a customer; and it should never be forgotten that mutual confidence should always exist between the banker and his customer; there is no business where the relations of the two parties to the contract are required to be so intimate.

During the thirty years of the bank's existence there has been a truly marvellous development of the wealth and resources of these townships, and the directors of the Eastern Townships Bank feel that a very considerable portion of this development is due to the spirit manifested by this bank in fostering legitimate enterprise.

In the report of last year the directors had to mourn the loss of an estimable colleague, the late Mr. John Thornton, of Coaticook. This year they have again to record the loss of another member of the board, the late John Henry Pope, who had been identified with the bank from its inception, and whose death is mourned by the whole people of this wide Dominion. Mr. Pope was truly an honor to these Eastern Townships. A self-made man, a plain farmer, of good old U. E. Loyalist stock, he early evinced sagacity, talent, energy, and moral courage. He was not merely one of the most ardent promoters of the establishment of a bank in and for the Eastern Townships, but he invariably gave it his thorough support, so far as his engagements as a Cabinet Minister permitted; and his sound advice and active assistance were always freely offered at the call of the board or the general manager.

The directors at their meeting yesterday declared the usual half-yearly dividend of 3½ per cent., payable on the 2nd July next, and at the same time added \$50,000 to the Reserve fund, bringing up this fund to \$500,000, or one-third of the authorized capital. The amount carried forward after these appropriations amounted to \$19,145.02.

In conclusion the directors desire to express their sense and high appreciation of the zeal and assiduity of the whole of the officers of the bank.

Respectfully submitted,

On behalf of the board,

R. W. HENEKER,
President.

PROFIT AND LOSS STATEMENT FOR YEAR ENDING MAY 15TH, 1889.

Balance at credit Profit and Loss carried forward from May 15th, 1888	\$ 3,975 14
Profit of head office and branches, after deducting charges of management, all interest due depositors, and making ample provision for bad and doubtful debts	169,960 92
	\$173,936 06

Deduct:	
Dividend of 3½ per cent. paid 2nd January, 1889	\$ 51,405 19
Dividend of 3½ per cent. payable 2nd July, 1889	51,955 85
Provincial Government tax	1,430 00

Transferred to Reserve	50,000 00
	154,791 04

Balance carried forward	\$19,145 02
GENERAL BALANCE SHEET, MAY 15TH, 1889.	

Liabilities.

Capital paid in	\$1,485,881 30
Reserve Fund	\$ 500,000 00
Profit and Loss balance	19,145 02
Dividend No. 59 of 3½ per cent., payable 2nd July next	51,955 85
Dividends unclaimed	3,695 06
	574,795 93
Bills in circulation	770,641 00
Dominion deposits on demand	28,775 64
Provincial deposits on demand	22,341 75
Deposits held as security for Dominion contracts	875 00
Other deposits on demand	435,082 93
Other deposits after notice	1,870,228 53
Due other banks in Canada	10 40
Due banks in the United Kingdom	25,839 76
	\$5,214,472 24

Assets.

Specie	\$ 116,659 51
Dominion notes ..	91,840 00
Bills and cheques on other banks ..	24,149 55
Due from other banks in Canada ..	284,519 70
Due from other banks not in Canada	95,538 43
Due from other banks, secured ..	15,834 18
Dominion Government debentures ..	13,000 00
	\$641,541 37
Bank premises and furniture	100,000 00
Current discounts	4,309,149 51
Real estate other than bank premises	17,829 63
Mortgage on real estate sold by the bank	89,797 63
Loans overdue, secured	39,153 60
Loans overdue, unsecured	4,449 65
Other assets and items in transitu between offices	12,550 85
	\$5,214,472 24

WM. FARWELL,
General Manager.

The president then addressed the meeting, congratulating them on the prosperous condition of the bank, and the fact that the Reserve fund had now reached the handsome sum of \$500,000. The policy of the board during the past twelve months, as heretofore, has been a conservative one. While disposed to render assistance to legitimate enterprises, having in view the development of the resources of the country, the board have been careful to avoid any business of a speculative nature. Speaking of the commercial growth of the country, he said that during his 34 years' residence here he could see great changes, great advancement, and marked increase of the wealth of the country, towards which he thought the bank might fairly lay claim to having given material aid. He further congratulated the shareholders upon having such an efficient staff of employees, whose devotion to the interests of the bank was most praiseworthy; he thought that the time had arrived when the shareholders should take into consideration the advisability of establishing a pension fund for the benefit of employees. Such a fund was already in operation amongst several of the principal banks of Canada, and it was only due that those who spent their lives in the service of the institution should have some provision made for old age. He referred to the loss sustained by the country at large in the death of the Hon. John Henry Pope, a loss which would be felt nowhere so keenly as by the board of this bank, of which he had been a member since its foundation. He moved, seconded by Hon. G. G. Stevens, the adoption of the report, which was unanimously carried.

The following resolution was then proposed by Hon. G. G. Stevens, seconded by William Francis, Esq., of Montreal, and carried:—

"That the shareholders present at this day's annual meeting of the bank desire to state their entire concurrence in the expressions in this report in relation to the late Hon. John H.

Pope, a director of this bank from the beginning of its operations, and one of the principal founders of the institution. All who had the privilege of Mr. Pope's acquaintance could not fail to be impressed with his high qualities, which won for him esteem as well as regard. They desire also to express their deep sympathy with the bereaved widow and family. That a copy of the above resolution be forwarded to Mrs. Pope."

Votes of thanks were then passed to the president and directors, the general manager and other officers, for their attention to the business of the bank during the past year. In connection with this vote, Mr. Wm. White, Q.C., on behalf of the shareholders, expressed himself strongly in favor of the establishment of a pension fund for the benefit of the employees of the bank. He moved a resolution authorizing the directors to take steps to carry it into operation.

A ballot was then taken for election of directors, which resulted in the election of Messrs. R. W. Heneker, Hon. M. H. Cochrane, Hon. G. G. Stevens, J. N. Galer, Thomas Hart, D. A. Mansur, Israel Wood, N. W. Thomas, and T. J. Tuck.

The thanks of the meeting were then tendered to the scrutineers and chairman, after which the meeting adjourned.

At the meeting of the new board, Mr. R. W. Heneker was re-elected president, and Hon. G. G. Stevens vice-president.

FARMERS' LOAN AND SAVINGS COMPANY.

The seventeenth annual meeting of this company took place at the company's office, 17 Toronto street, Toronto, on Wednesday, the 5th inst., at 12 o'clock noon. The following shareholders were present: Messrs. John Aitken, H. D. Allen, C. C. Baines, Joseph Cawthra, D. B. Dick, G. R. Hamilton, James Henderson, J. D. Laidlaw, Prof. Loudon, Wm. Mulock, W. E. Murray, A. Ross, James Scott, John Scott, John Stewart, etc.

On motion of Mr. Ross, the president, Mr. Mulock, took the chair, and Mr. Bethune acted as secretary.

The following report and statement of affairs for the year ended 30th April, 1889, was then submitted:—

REPORT.

The directors beg to present to the shareholders the following statements of the result of the business for the past year:

The net profits, after deducting expenses of management, and all charges, commissions, etc., amount to \$50,373.75, out of which two half-yearly dividends of three and one-half per cent each, amounting together to \$42,800.10, have been paid, leaving a balance of \$7,573.65 to be added to Reserve, making the sum of \$120,163.17 now to the credit of that fund.

There has been an increase, since last year, in the amount borrowed on sterling and currency debentures; on the former of \$143,372.00 (£29,460), and on the latter of \$23,423.33, being a total increase of \$166,795.33. The amount on deposit has been reduced by \$61,766.19.

The accompanying financial statements, verified by the auditors, are submitted for the consideration of the shareholders.

WM. MULOCK,

GEO. S. C. BETHUNE,
Secretary and Treasurer.

RECEIPTS AND DISBURSEMENTS FOR THE YEAR ENDING 30TH APRIL, 1889.

Receipts.

To balance 30th April, 1888	\$ 819 03
" cash in bank 30th April, 1888	43,361 77
" deposits	451,218 09
" debentures (sterling)	143,372 00
" " (currency)	23,923 33
" repayments on loans, including interest	350,169 90
" insurances	2,034 22
" sundry accounts:—	
Commissions, travelling expenses, etc.	528 94
To on account of mortgagors	6,149 61
	\$1,021,576 89

Disbursements.

By loans	\$391,566 57
" deposits	512,984 28
" dividends Nos. 32 and 33	42,800 10
" municipal tax on dividend	615 25