

## Meetings.

## MOLSONS BANK.

The forty-first annual general meeting of the shareholders of the Molsons Bank was held in the board room, in Montreal, at 3 o'clock, Monday afternoon, October 12th. The president, Mr. J. H. R. Molson, occupied the chair, and among those present were: Messrs. S. H. Ewing, J. P. Cleghorn, Samuel Finley, John Crawford, A. F. Gault, Daniel Wilson, W. M. Macpherson (Quebec), H. Barbeau, James Wilson, J. Try-Davies, Sir Joseph Hickson, David Crawford, H. Archbald, W. M. Ramsay, John W. Molson, R. R. Watson and S. W. Ewing.

The president, having called the meeting to order, requested Mr. James Elliott, the local manager, to act as secretary, and named Messrs. David Crawford and J. Try-Davies to act as scrutineers, after which the secretary read the advertisement convening the meeting.

The general manager, Mr. F. Wolferstan Thomas, then read the annual report of the directors, as follows:

## REPORT.

The directors of the Molsons Bank beg to submit to the shareholders the forty-first annual report of the bank for the year ending 30th September.

After making ample provision for bad and doubtful debts, the net earnings for the year amount to \$224,084.55, which have been distributed by two semi-annual dividends of 4 per cent., and a bonus of 1 per cent., making in all \$180,000.

From the surplus left, amounting to \$44,084.55, and balance of \$43,567.62, carried over from last year, amounting in all to \$87,652.17, the sum of \$25,000 has been transferred to the Rest, making that account \$1,400,000, leaving at credit of Profit and Loss account \$62,652.17.

The branches of the bank have all been inspected once or oftener during the past year, and we are able to report that the different members of the staff continue to perform their duties with the utmost loyalty to the bank and to our entire satisfaction.

JOHN H. R. MOLSON,  
President.

## GENERAL STATEMENT

Of the affairs of The Molson's Bank on the 30th September, 1896:

Liabilities.	
Capital paid up .....	\$ 2,000,000 00
Rest account .....	\$1,400,000 00
Rebate in full on notes discounted .....	80,000 00
Profit and loss account .....	62,652 17
	1,542,652 17
Interest, exchange, etc., reserved ..	118,892 84
82nd dividend .....	80,000 00
Bonus of one p. c. to shareholders ..	20,000 00
Dividends unclaimed .....	639 00
Notes in circulation .....	1,669,995 00
Balance due to Dominion Government .....	24,677 03
Balance due to Provincial governments .....	7,968 07
Deposits not bearing interest .....	1,564,423 03
Deposits bearing interest .....	8,246,418 98
Due to other banks in Canada .....	305,477 25
Other liabilities ..	8 941 00
	12,047,432 20
	\$15,590,084 37
Assets.	
Specie .....	\$316,469 81
Dominion notes ..	738,872 25
	\$1,055,342 06
Deposit with Dominion Government to secure note circulation .....	90,000 00
Notes and cheques of other banks .....	334,917 32
Due from other banks in Canada ..	118,539 19
Due from foreign agents .....	225,172 35
Due from agents in United Kingdom .....	25,880 15

Dominion Government debentures ..	104,375 00
Canadian, municipal and other securities .....	464,579 69
Canadian, British and other railway securities .....	741,005 87
Call loans on bonds and stocks ..	803,877 76
Bills discounted and current ..	11,262,733 53
Bills past due (estimated loss provided for) .....	92,882 48
Real estate other than bank premises .....	76,620 13
Mortgages on real estate sold by the bank .....	4,158 84
Bank premises at head office and branches .....	190,000 00
	\$15,590,084 37

## PROFIT AND LOSS ACCOUNT.

Balance at credit of Profit and Loss account, 30th September, 1895 .....	\$ 43,567 62
Net profits for the year, after deducting expenses of management, reservation for interest accrued on deposits, exchange and provision for bad and doubtful debts .....	224,084 55
	\$267,652 17
Appropriated as follows:	
81st dividend at rate of 8 per cent. per annum, 1st April, 1896 .....	\$80,000 00
82nd dividend at rate of 8 per cent. per annum, 1st October, 1896 .....	80,000 00
1 per cent. bonus, 1st October, 1896 .....	20,000 00
Rest account .....	25,000 00
	\$205,000 00
Leaving a credit of Profit and Loss account, 30th Sept., 1896 ..	62,652 17

The president having intimated that the directors were prepared to answer any questions and give any information which the shareholders might desire, Mr. John Crawford congratulated the directors on the statement they had submitted to the meeting, and said that, under all the circumstances, he considered that a profit of \$224,000 on a capital of \$2,000,000 was entirely satisfactory. Now that the Rest account had reached \$1,400,000, he was of opinion that the time had arrived when there should be taken into consideration the propriety of changing from the bonus system to that of regular dividends. He would like to know what the policy of the bank was likely to be in this direction. He asked a number of questions regarding items in the general statement, which were replied to by the president and the general manager, and then went on to speak of the fast Atlantic service, maintaining that the day for subsidizing steamers was passed. The system had answered very well in the past, but now was the time for husbanding the resources of the Dominion for other pressing enterprises, instead of those we had been coaching along for so many years. He considered that the best subsidy for the fast Atlantic service would be the bringing, properly and liberally, to the different ports of the Dominion, of the products of the field and the mine.

In replying to Mr. Crawford, the president said: Mr. Crawford proposes that, instead of paying a bonus, a dividend should be given. On this, I think the directors entirely disagree with him. A dividend should not be based upon the largest earnings of any particular year. A dividend should be regular. If good times come, then a bonus may be given. When a bonus is earned it will be paid. A bonus is always safe; you can give it when earned, and withhold it when not earned. As to parallel columns in the financial statements, their introduction is uncalled for and would be of no benefit. Mr. Crawford characterizes the general statement as a bald one; but I think that it is as full, or probably fuller, than that made by any other bank in the Dominion, and when a shareholder comes here he can get any further information he desires. With regard to directors of banks retiring at the end of three years, I don't see why a director, at the end of that period, should be no longer fit to take part in the management of a banking institution. If such a rule had applied, we should have lost the services of our late president, Mr. Workman, who was our president for ten years, and I don't think that anybody in particular

thought that it would have been desirable to replace him from any such cause as Mr. Crawford suggests would make such a change desirable. Mr. Crawford also got talking about steamboat subsidies and other matters with which I don't consider we have anything to do. He says that the directors are apt to be guided by the president; but I don't think that it is so. Of course, naturally the president is expected to give more time and attention to the affairs of the bank, and to be in more frequent communication with the cashier and other officers than the general body of the directors. We have our meetings twice a week; our directors are punctual in their attendance, and no information is withheld from them. I think it is a mistake to imagine that the president rules everything. There may be a bank here and there where he has a little more deference shown to him, but I don't think it is the rule. Our business has been conducted for a great many years, and I am proud to say that it has been successfully carried on. Since the establishment of the bank, forty-one years ago, as a joint stock bank, we have paid an average dividend of 7 8-10 per cent., which I think is very satisfactory, and speaks well for the general management of the institution. Mr. Crawford asked what the policy of the bank was going to be. It has no settled policy; it has to be guided by circumstances. The directors get the best information they can as to what is going on, and use their own judgment as best they can. We endeavor that the bank shall be better than we represent it, and I may say that such is the case. We want the bank to be better than we show it, and I think that when I and others are gone, it will be found that this is so. I do not say this boastfully; but it has been drawn out by the nature of Mr. Crawford's remarks. I would move the adoption of the report.

The motion was seconded by Mr. S. H. Ewing, and agreed to unanimously.

Mr. A. F. Gault then moved:

"That the thanks of the shareholders are due, and are hereby tendered, to the president, vice-president and directors of the bank for their attention to its interests during the year just closed."

In making the motion, Mr. Gault said that, having been at one time a director of the bank, he could speak of the manner in which the directors gave their attention to the affairs of the institution. Every minutia was gone into, and the shareholders could feel that any business coming before the bank was attended to in a thoroughly businesslike way. He considered that the financial statement which had been submitted was a satisfactory guarantee that the interests of the bank had been well looked after. There were very few institutions that could show a better result than had been shown that day.

The motion was heartily seconded by Mr. H. Barbeau.

The president briefly expressed the thanks of himself and his co-directors, and expressed the opinion that the name of the general manager, Mr. F. Wolferstan Thomas, should be included in the motion. He spoke highly of the industry and ability which Mr. Thomas had always displayed in the interests of the bank during the twenty-seven years that he had been connected with it.

Mr. John Crawford also eulogized the services of the general manager, who requested that his name be in no way mentioned in the resolution. It had always been his desire that votes of thanks should not be presented to himself and colleagues, who were paid for their services to the bank. He spoke very highly of the staff connected with the institution, and mentioned that Mr. Elliott had been there, in one capacity or another, since the inception of the bank; Mr. Durnford, the inspector, had been there for sixteen or seventeen years; Mr. Mark Molson had been there for seventeen years, and many others had been a very long time. He thought that the staff might be termed a very well satisfied, zealous and efficient one.

The motion was agreed to unanimously.

The scrutineers then reported that the old board of directors had been re-elected, viz., Messrs. Henry Archbald, J. P. Cleghorn, S. H. Ewing, S. Finley, J. H. R. Molson, W. M. Macpherson (Quebec), and W. M. Ramsay.

At a subsequent meeting of the directors, Mr. J. H. R. Molson was re-elected president and Mr. S. H. Ewing vice-president.