

ANNUAL MEETING OF THE BANK OF OTTAWA

The General Statement of the Liabilities and Assets Shows the Institution To be in a Most Prosperous Financial Condition.

The twenty-seventh annual meeting of the shareholders of the Bank of Ottawa was held on Wednesday the 11th day of December, 1901, in the bank. Among those present were J. Roberts-Alan, Newell, Esq., Hon. Geo. Bryson, J. C. Browne, John Christie, Jas. F. Cunningham, W. C. Edwards, M. P., John B. Fraser, Rev. Tom Garrett, Geo. Hay, John Mather, Denis Murphy, John L. Murphy, Chas. Magee, David MacLaren, John J. McGee, Walter S. O'Neil, C. Berkeley Powell, M. L. A. Groo, H. Forry, Gordon B. Patten, Sheriff Sweetland, L. J. R. Stuckey, P. J. Wilson, Buckingham, J. G. Whyte.

Moved by Mr. David MacLaren, seconded by Mr. Denis Murphy—  
"That the president take the chair and the general manager be requested to act as secretary."  
The chairman then asked the secretary to read the

Report of the Directors.

The directors have pleasure in presenting the twenty-seventh annual report, showing the result of the bank business for the year ended 30th November, 1901.  
The balance at credit of profit and loss account on the 29th of November, 1900, was \$43,444.26. Net profits for the year ending 30th November, 1901, after deducting expenses, salaries of agents, and making necessary provision for contingencies due to depositors, unearned interest on current accounts, and for all bad and doubtful debts, was \$319,515.08.

Appropriated as follows:  
Dividend No. 50, 4 per cent, paid 1st June, 1901, \$80,740.49.  
Dividend No. 51, 4 1/2 per cent, payable 2nd Dec., 1901, \$90,000.  
Applied in reduction of Bank premises and furniture, \$21,253.18.  
Carried to credit account, \$100,000.  
Balance carried forward at credit of profit and loss account, \$6,846.61.  
The balance at credit of rest account on 30th November, 1900, was \$1,600,453. To which has been added, 4.54% premiums on new bank business transferred from profit and loss account as above, \$1,765,000.

Your directors are pleased to be able to report that, as will be seen from the statements submitted, the bank has shared in the prosperity which has been enjoyed by the country generally during the past year.  
Since the last annual meeting, branches of the bank have been established at Trenton, Quebec, Cobleno, Ontario, and on Somerset street, in the southwestern part of the city. The evidence of progress at these points have so far been satisfactory.  
In order to provide for the increasing needs of the business at the head office, the accommodation for which had become inadequate, it has been found necessary to prepare the upper portion of this building for occupation of the head office staff, and to increase the vault room.  
The directors being prohibited by law from allowing fractions of shares and having a total of fifty-one shares left after the last allotment, declared in May last, to sell the same. Tenders were asked for by advertisement, and the price realized was at the rate of \$206.25 per share, the extra premium over the rate of allotment (\$110.75) being included in the profits of the year.  
The usual inspections of the offices of the bank have been made during the year.  
The officers of the bank have performed the various duties assigned to them to the satisfaction of the directors.

All of which is respectfully submitted.  
CHARLES MACGEE, President.  
The President's Address.  
The president, Mr. Magee, then said: I am glad to see such a large representation in the general activity in business and prosperity of the country.

The increase in deposits is about \$700,000 and in loans \$300,000. The increase in circulation is small, only \$22,000, but this brought us to the limit, and together with the majority of the chartered banks we have been much inconvenienced by our circulation being restricted to the amount of the paid up capital. There are only three banks in the Dominion that have much reserve of circulation. Under the present law the only relief the banks can get is by increasing their capital, and in most cases, this is not necessary, as the amount of banking capital generally believed to be sufficient for the wants of the country.

If the banks are to fulfil their mission in the future as they have done in the past, and provide for the official and necessary expansions of the currency to move the crops, the bank act will have to be amended and the banks allowed to increase their limits of notes beyond the amount of their paid up capital, either by allowing them to issue up to say, 50 per cent. of their rest, or by their depositing with the government interest bearing bonds for the amount of the over-issue. One thing, however, is certain: relief will have to be given and it will rest with the Bankers' association to suggest to the finance minister and the government the best means of meeting the difficulty.  
The security afforded to the holder

GENERAL STATEMENT OF ASSETS AND LIABILITIES

As on 30th November.

	1900	1901
<b>LIABILITIES</b>		
Notes in circulation	\$ 1,800,301.00	\$ 1,958,006.00
Deposits bearing interest	\$8,202,401.93	\$7,708,411.39
Deposits not bearing interest	1,430,875.45	1,680,866.48
Deposits made by and balances due to other banks in Canada	420.00	205,900.00
Deposits made by and balances due to agencies of the bank, or to other banks in Canada and the United Kingdom	804.32	411,233.78
Deposits made by and balances due to agencies of the bank, or to other banks in the United Kingdom	\$11,566,871.70	\$12,075,164.65
Capital (authorized \$2,000,000)		
Capital paid up	\$1,963,940.00	\$2,000,000.00
Rest	1,000,465.00	1,705,000.00
Dividend 4 per cent, payable last December	89,000.8	90,000.00
Former dividends unpaid	203.21	338.50
Reserved for interest and exchange	12,288.00	10,872.00
Rebate on current discounts	46,754.00	75,410.00
Balance of profit and loss account carried forward	46,344.26	6,846.67
	\$15,434,526.85	\$16,970,650.82
<b>ASSETS</b>		
Specie	\$ 325,884.24	\$ 343,908.96
Deposits with Dominion Government for security of British National War Loan and Consols	749,080.25	880,330.00
Notes and cheques on other banks	90,000.00	95,000.00
Deposits made with, and balances due from, other banks in Canada	314,802.14	355,465.63
Deposits made with, and balances due from, other banks or Agencies in the United Kingdom	50,132.18	207,499.66
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Deposits with Dominion Government securities	253,842.57	347,985.40
Deposits with British National War Loan and Consols	464,612.77	464,232.77
Deposits with Canadian Municipal, Provincial, or Foreign or Colonial Public Securities	144,430.87	234,527.07
Deposits with other than Canadian Railway and other Bonds	452,800.21	380,214.80
Deposits with other than Canadian Railway and other Bonds	485,587.07	390,670.49
	\$ 3,573,374.92	\$ 4,174,862.63
Call and short Loans on Stocks and Bonds in Canada	748,108.34	735,765.60
Call and short Loans in Canada	10,965,396.08	11,820,119.21
Overdue Debts (estimated for Real Estate, other than mortgages)	62,508.00	73,880.10
Overdue Debts (estimated for Real Estate, other than mortgages)	6,156.20	7,075.64
Mortgages on Real Estate sold by the Bank	8,904.25	11,945.03
Bank Premises	130,000.00	150,000.00
	\$15,434,526.85	\$16,970,650.82

GEORGE BURN, General Manager

head office staff up stairs, and as a room that we are now meeting in will be required for the accommodation of the local managers, the increase in staff is also being provided on the 1st floor.  
The directors are disappointed at not being able to receive the shareholders here to-day, but the delays incident to the construction of the new building, the first floor that it will not have been such that it will not be possible to have any work completed before the end of the month.  
You will notice that there is an increase in the bank premises amounting to \$200,000, and this after charging the business of the year with over two or three thousand dollars.  
The policy of the directors is to keep this account down to the lowest possible amount, but in many places where we have branches it is not easy to obtain suitable premises without building for ourselves. The shareholders may rest assured, however, that the bank premises, safe fittings and furniture are of the best, and the amount at the debit of the account.  
Business throughout the Dominion has been active and the harvest of the provinces have been blessed with a magnificent harvest, I have no doubt this activity will continue for some time longer, but sooner or later a reaction will come. Already financial depression exists in some of our provinces to a lesser extent in other European countries. Cotton, woolen and other manufacturing industries in the United States and Germany are suffering from over-production, and attempts are being made to find a market for the surplus in Great Britain, Canada and other countries. The reduced prices. The result will be that some of our mills and factories may either have to close, or work shorter hours.  
Quite a factor in the prosperous condition of our farms during the past two years has been the large amount paid to them for horses, hay and other stock. It is to be expected that the government for shipment destined to South Africa. When peace is restored (and it will probably be delayed now) this demand will probably cease and the loss of the market be seriously felt for a time. In view of these possibilities, the policy of your directors is to be conservative, and to strengthen the position of the bank so that we may be ready for any change in the condition of business which the future may develop. Our desire being that our shareholders may depend upon getting their deposits as readily in times of depression as in prosperity.  
I do not think it necessary for me to make any further comment upon the report and following our usual custom, time will be given for the putting of questions that any of the shareholders present may desire to ask before moving the adoption of the report.  
The general manager said:  
It gives me pleasure to respond to this resolution, and to thank you for the cordial manner in which you have adopted it. We have now on our pay roll a staff of 151, and I am satisfied that we have more than enough, no more painstaking willing or faithful officials can be found anywhere.  
I have a great pleasure in mentioning called attention to the very satisfactory growth in the material wealth of the country, and in the increase of bank deposits.  
Mr. Clouston, the president of the Canadian Bankers' association at its last annual meeting gave some interesting statistics showing, among other items, that the savings banks had grown since 1891 from \$10 per head to \$100 per head.  
The scrutineers reported that the former directors had been re-elected and the meeting adjourned.  
At a meeting of the newly elected board, held subsequently, Mr. Charles Magee was elected president and Mr. Geo. Hay vice-president for the ensuing year.  
GEORGE BURN, General Manager

The Hon. J. D. Prentice, minister of finance and agriculture, for British Columbia, has gone east to arrange for a loan of two million dollars, to be used in the construction of the new works in British Columbia. A portion of it will be used in the construction of the new work bridge across the Fraser river at New Westminster.

The growth of our local business has been such that the directors are obliged to provide quarters for the

of the notes of any chartered bank—the involuntary creditor—is so perfect that there can be no danger in allowing the banks the necessary facilities under proper safeguards to furnish currency sufficient to meet the wants of the public in times of great business activity.  
Last year I referred to the improved facilities for the transaction of business in many of our branches. Since then the office at Hull has been completed and occupied. A new office at Brantford will be ready for occupation before the end of the month, and at Parry Sound we expect the new bank building to be finished by the 1st of May next.  
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