

EASTERN TOWNSHIPS BANK.

Annual Meeting, 1884.

The Annual General Meeting of the Shareholders of this Institution was held at the Head Office of the Bank on Wednesday, 4th day of June inst., about twenty-five shareholders being present. Notice of meeting having been read, on motion of Major I. Wood, seconded by J. B. Paddon, Esq., the President, R. W. Heneker, Esq., was elected chairman, The General Manager, Wm. Farwell, Esq. was elected secretary. Major I. Wood and Geo. H. Pierce, Esq., were elected scrutineers of votes.

The minutes of the last annual meeting were read and confirmed, after which the President submitted the following

ANNUAL REPORT.

The Directors have the pleasure to lay before the stockholders the Balance Sheet and the Profit and Loss Statement of the Bank on the 15th May last.

They regret to have to announce that although the ordinary business of the year has been good and profitable, despite a period of continuous dullness in trade, yet losses have occurred in two accounts of magnitude, which have lessened the amount which they hoped to carry to the credit of the Reserve Fund. Notwithstanding, however, these losses, they have been able to add \$25,000 to the fund, bringing it up to \$375,000, after providing for the 3½ per cent. dividend declared by the Board at its sitting of yesterday, payable on the 2nd of July next.

Through the failure of the Exchange Bank, Montreal, the opportunity was given of acquiring the Bedford branch of that institution. A few years ago an application was made to the Bank to take over this branch, but the Exchange Bank at that time arranged their difficulties, and retained the branch. The question, therefore, was no new one, and the Directors felt that this was a legitimate extension of the business, covering a portion of the territory which it was the primary object of the founders to provide with banking facilities.

The whole of the Branches, as well as the Head Office, have been carefully inspected during the year, and the business generally has been kept well in hand.

In conclusion, the Directors desire to express their deep regret and sorrow at the loss by death of their colleague, Mr. Geo. King Foster, who had served on the Board from the formation of the Bank. Mr. Foster was ripe in years and always ready to forward in every way the interests of the Bank. He was not only the largest stockholder but generally the largest depositor. The Directors feel sure that the stockholders will share with them in their regret at his loss.

Respectfully submitted on behalf of the Directors.

R. W. HENEKER,
President.

Sherbrooke, 4th June, 1884.

PROFIT AND LOSS STATEMENT FOR YEAR ENDING MAY 15, 1884.

| | |
|---|--------------|
| Balance at credit of Profit and Loss carried forward from 15th May, 1883..... | \$14,013 52 |
| Profit of Head Office and Branches, after deducting charges of Management, Interest due depositors, and providing for bad and doubtful debts..... | 117,519 35 |
| | \$131,532 87 |
| DEDUCT. | |
| Dividend of 3½ per cent., paid January 2, 1884..... | \$50,618 51 |
| Dividend of 3½ per cent., payable July 2, 1884..... | 50,708 02 |
| Transferred to Reserve Fund..... | 25,000 00 |
| | \$126,326 53 |
| Balance of Profit and Loss carried forward..... | \$5,206 34 |

GENERAL BALANCE SHEET MAY 15, 1884.

| | |
|--|----------------|
| LIABILITIES. | |
| Capital paid in..... | \$1,410,067 51 |
| Reserve Fund..... | \$ 375,000 00 |
| Reserved Interest..... | 5,150 00 |
| Profit and Loss Balance..... | 5,206 34 |
| Dividend No. 4, of 3½ per cent., payable 2nd of July next..... | 50,708 02 |
| | \$186,364 36 |
| E. T. Bank bills in circulation..... | 702,900 00 |
| Dom. deposits payable on demand..... | 59,071 41 |
| Dom. deposits payable after notice..... | 50,000 00 |
| Prov. deposits on demand..... | 19,209 18 |
| Prov. deposits after notice..... | 100,000 00 |
| Other deposits on demand..... | \$88,082 48 |
| Other deposits after notice..... | 1,069,786 61 |
| Dividends unclaimed..... | 2,830 96 |
| Due other Banks in Canada..... | 28,706 63 |
| | \$3,080,527 30 |
| | \$1,965,959 17 |
| ASSETS. | |
| Specie..... | 108,748 02 |
| Dom. Notes..... | 89,400 00 |
| Bills and cheques on other banks..... | 18,783 46 |
| Due from other banks in Canada..... | 200,400 02 |
| Due from other banks not in Canada..... | 102,171 12 |
| Due from other banks, secured..... | 30,000 00 |
| | 665,659 52 |
| Bank premises and furniture..... | 101,700 00 |
| Current loans, discounts, and advances to the public..... | 3,878,547 35 |
| Other assets..... | 20,170 80 |
| Notes and bills overdue and other debts, secured by mortgage and real estate..... | 149,061 38 |
| Notes and bills overdue, and other overdue debts, not specially secured (all estimated loss provided for)..... | 150,511 12 |
| | \$4,300,299 65 |
| | \$1,965,959 17 |

Wm. FARWELL,
General Manager.

On closing, the president moved, seconded by Vice-President Adams, that the report of the directors as then read be adopted and printed for distribution. He then entered more fully into details of the business of the bank, referred to the careful audit made at the head office, and

the inspection of the branches. He explained the nature of the exceptional losses of the year, the purchase of the Bedford branch, &c, and entered into a general review of the business of the country, more especially of the Eastern Townships, referring to the important railway interests of the Townships, present and prospective, and the importance of Sherbrooke as being the centre of so many roads, making it a desirable point for manufacturing establishments. In closing, he passed a high encomium on the officers of the bank for their zeal, energy and good conduct, referring to the grave responsibilities, not only entailed upon, but felt by the directors in the discharge of their duties.

Further enquires in regard to various accounts and remarks regarding the position of the bank, were made by Messrs J. B. Paddon, George H. Pierce, D. A. Mansur, Rev. A. C. Scarth, Hon. M. H. Cochrane, and others, all of which were satisfactorily answered.

The General Manager having been called upon, expressed his regret at not having been able to show as good results as at the meeting of 1883. He felt, however, that the position of the bank was (as he believed the shareholders regarded it) a very satisfactory one. At the sixty-sixth annual meeting of the Bank of Montreal, held on Monday last, it was a matter of congratulation that they had been able at that meeting to report a sufficient addition to bring their reserve fund up to 50 per cent. of their capital. This was the twenty-fifth annual meeting of the E. T. Bank, and they were able to show a reserve fund of 25 per cent., besides having paid regular semi-annual dividends exceeding an average of over 7 per cent.

The capital and reserve fund now exceeded \$1,800,000, which was an abundant guarantee to depositors of the safety of their money, as depositors could not lose a farthing until the whole of this amount was swept away. He heartily concurred so far as it related to the Managers and Officers under him, in what had been said by the President respecting the staff. No bank had officers of greater integrity or that showed more zeal and industry in promoting the prosperity of the Bank.

The usual vote of thanks to the President and Directors, also to the General Manager, Managers, and other officers of the Bank, was unanimously passed, after which the election of Directors was proceeded with. All the votes having been cast, the Scrutineers reported the following Shareholders to have received the majority of votes, and to be duly elected for the ensuing year, viz.: R. W. Heneker, A. A. Adams, J. H. Pope, G. G. Stephens, M. H. Cochrane, T. S. Morey, John Thornton, J. N. Galer, and Thomas Hart, being the old Board with the addition of Mr. Hart in place of G. K. Foster, deceased.

The meeting then adjourned. At the meeting of the new Board, held same day, R. W. Heneker, Esq., was re-elected President and A. A. Adams, Vice-President.

THE MARITIME BANK.

The Directors beg to submit for the consideration of the Stockholders their twelfth annual report. The books were closed for the year on 30th April last, and the following statement shows the position of the bank as at that date:

| | |
|--|-----------------|
| LIABILITIES. | |
| Circulation (old issue \$2,168—new issue \$294,290)..... | \$ 296,458 00 |
| Dominion Government Deposits payable on demand..... | 17,329 30 |
| Deposits held as security for the execution of Government contracts and for insurance Companies..... | 49,342 53 |
| Other Deposits payable on demand..... | 183,883 99 |
| Balances due to Banks and Agencies..... | 7,471 50 |
| | \$ 554,485 32 |
| Immediate Liabilities..... | |
| Dominion Government Deposits, payable after notice, bearing interest..... | 50,000 00 |
| Other Deposits, payable after notice, bearing interest..... | 240,391 18 |
| Deposits towards purchase of stock..... | 77,000 00 |
| Bills payable, not yet matured..... | 53,138 03 |
| | \$ 975,014 53 |
| Capital paid up..... | 686,000 00 |
| Reserve for rebate of interest at 6 per cent. on discounts not yet due, and for accrued interest on Deposit Receipts, and for outstanding charges..... | 10,055 05 |
| Profits..... | 8,112 56 |
| | \$1,679,182 14 |
| ASSETS. | |
| Specie..... | \$ 13,119 10 |
| Dominion Notes..... | 149,723 00 |
| Notes of and Cheques on other Banks..... | 28,334 94 |
| Balances due by Banks and Agencies..... | 44,100 24 |
| Investments in Municipal Debentures..... | 37,735 70 |
| | \$ 273,012 98 |
| Assets immediately available..... | |
| Loans, discounts and advances to the public..... | 958,900 42 |
| Saves, Furniture, Stationary, &c., Head Office and Agencies..... | 7,610 15 |
| Past due bills secured and in course of settlement..... | 10,219 79 |
| Suspense account..... | 30,348 80 |
| | \$ 1,280,182 14 |
| Old Profit and Loss account..... | 399,000 00 |
| | \$ 1,679,182 14 |

These figures contrast favorably with those in the statement presented a year ago. The circulation is lower, but the deposits have increased and some valuable accounts have been opened. While business generally is depressed and not very profitable, especially in lumber, the Directors are pleased to be able to report that the business of the Bank has been well maintained and continues active and good. Many of the loans have, indeed, been found less convertible than the Directors could have wished, but they have been careful in renewing loans to increase their strength and are satisfied as to their safety. The assets in suspense a year ago, not since realized, have been carefully re-valued and liberal appropriations made. The losses of the year, which were not large, have been written off, and some provision made for possible losses; and the Directors believe that the value of the assets as these, now appear in the balance sheet is not over-estimated.

The agencies at Fredericton and Woodstock continue to do a satisfactory business. These agencies and head office received a thorough inspection lately.

Application was made to Parliament at the last session to have the capital stock of the Bank reduced and an act was passed ordering the reduction of the 6860 shares to 2470, equivalent to giving new stock at the rate of 36 new shares for 100 old.

On Monday, 2nd June instant, your directors accordingly cancelled the 6860 shares then existing, and distributed 2470 new shares pro rata amongst the shareholders, less 62, the fractional share aggregating that number of full shares. The result is that the old Profit and Loss account or impaired capital of \$399,000 disappears from the books and a surplus of \$40,000 remains to form a rest or reserve fund.

The Act above mentioned reduces the capital of the Bank to 3,600 shares of \$100 each. The 2,408 distributed leaves 1,192 of these 3,600 to be taken up and a special meeting of the shareholders is called for Monday 9th instant to consider the conditions on which these will be offered for subscription. The Directors propose to offer one share at 100 to each shareholder, the reduction of whose stock created a fraction, if it is applied for not later than 9th instant, and to offer 770 shares at the same figure to those who in January last deposited the price on this understanding. The entry appearing in the balance sheet "Deposits towards purchase of Stock \$77,000" will thus merge into capital account. This will leave some 300 of the 3,600 shares and these the Directors propose to dispose of at premium.

The Capital being now unimpaired the payment of a dividend is permissible, and while the profits on hand would yield a three per cent. dividend, the directors feel confident that the shareholders will approve of a dividend being withheld until six months profits from the capital, as now reduced, have been earned, and prefer to have the present profits added to the rest, which would then amount to twenty per cent. of the capital, as it stands to-day, or fifteen per cent. if increased to \$360,000.

The directors are much gratified in presenting a report which shows the stock to be no longer at a discount, but worth from 15 to 20 per cent. premium—a valuation which not only the balance sheet, but the assets, in their judgment, justify.

Respectfully submitted on behalf of the Directors.

THOMAS MACLELLAN,
President.

Of the foregoing report the St. John Globe says:—
Mr. Maclellan then moved that the report he had read be adopted, and made some remarks explanatory of the report. Mr. Harrison, Vice-President, seconded the motion, which was carried. A vote of thanks was tendered to the President, Vice-President, and Directors, for their attention to the affairs of the Bank during the past year, and the remuneration to the President for his services was made the same as last year. Formal resolutions were then passed regarding the stock. A special meeting of the shareholders as required by the Act recently obtained is to be held on Monday first to approve of the manner in which the Directors have decided to allot the stock, but the shareholders thought it as well at their annual meeting to-day to pass resolutions similar to those which will come before them on Monday. The resolutions approve of 770 shares being given at 100 to the parties who deposited money for these shares in January last, and of the 300 shares being offered at ten per cent. premium. If these 300 shares are not taken up and paid for in cash during the present month, they will be withdrawn until some future time. Without these, the 2,470 and 770 shares make the capital stock up to 3,240 shares—\$324,000—and the "Rest" and undivided profits amount to fifteen per cent. of the capital. The President expressed the hope that the earnings this year would pay a six per cent. dividend and increase the Reserve other six per cent. A by-law was then passed reducing the number of Directors from seven to five, and the election proceeded with. After the ballots were examined the scrutineers reported that the following gentlemen had been elected, viz.: Jeremiah Harrison, Thomas Maclellan, John McMillan, A. A. Sterling, and John Tapley. At a subsequent meeting of the directors Mr. Thomas Maclellan was elected President and Mr. Jeremiah Harrison Vice-President for the ensuing year.

A BANKRUPT ALDERMAN.—LONDON, June 8.—The failure of Simeon Charles Hadley, alderman for the Castle Baynard ward of London, and one of the earlier promoters of the Commercial (Mackay-Bennett) Cable Company, was announced yesterday afternoon. The announcement has not caused much surprise, as it has been generally understood for some time that he was in a rather shaky financial condition.