

sympathy with the unprosperous condition of affairs in other countries, and more especially in the United States, and until an improvement is manifested there we cannot expect a healthy demand for our lumber and other products. We are also experiencing a severe reaction from a period of inflation and overtrading, caused to a large extent by the profuse expenditure of money in the construction of railways and other public works of a slowly productive character.

It is gratifying to know that the country and municipalities enjoy such excellent credit at home and abroad, but it is highly desirable, especially in our present circumstances, that a prudent limit should be set to the exercise of our borrowing powers. It is mainly by retrenchment of expenditure, by the adoption of more economical methods, and by reduction of commercial operations to the compass they occupied some few years ago that the community can hope to regain its former prosperity.

Fortunately the agricultural resources of the country, especially in the rapidly progressive Province of Ontario, have steadily continued to increase and are materially contributing to the legitimate renewal of business.

During the past year the shareholders of the bank have had occasion to lament the loss of their much respected president the late Mr. David Torrance, who had been associated with the Board of Directors for 22 years. The vacancy thus created at the Board was filled up by the election of Mr Gilbert Scott.

Geo. Stephen,
President.

GENERAL STATEMENT, 30th APRIL, 1876.

LIABILITIES.

Capital Stock paid up (Subscribed \$12,000,000)	\$11,979,400 00
Reserve.....	\$ 5,500,000 00
Balance of Profits carried forward.....	667,928 81
	\$ 6,067,928 81
Unclaimed Dividends.....	13,680 22
Half yearly Dividend, payable June, 1876.....	833,239 58
	6,919,840 61
	\$18,899,240 61

Amount of Notes of the Bank in circulation.....	\$ 3,270,711 00
Deposits not bearing interest.....	4,329,623 56
Deposits bearing interest.....	10,292,992 92
Balances due to other Banks and Institutions.....	729,391 98
	18,613,719 46
	\$37,512,960 07

ASSETS.

Gold and silver Coin cur- rent.....	\$ 1,953,205 16
Government Demand Notes.....	2,117,629 00
Balance due from other Banks and Institutions.....	4,895,716 23
Notes and Cheques of other Banks.....	614,798 64
	9,581,240 03
Bank Premises at Mont- real and Branches.....	425,000 00
Bills of Exchange and Discounted Notes.....	\$27,185,671 14
Debts Secured by Mort- gages and other Se- curities.....	134,256 46
Debts due to the Bank, over-due and not paid (Estimated loss provided for.....)	186,793 44
	27,506,720 04
	\$37,512,960 07

R. B. ANGUS,
General Manager.

BANK OF MONTREAL,
MONTREAL, 30th April, 1876.]

The CHAIRMAN said—Gentlemen :—I shall now move the adoption of the Report, but before putting the motion to the meeting, you will have an opportunity of making any remarks, and of asking any questions that may occur to you, pertaining to the business of the Bank. After that I shall ask Mr. Angus to give explanations on any points on which you may desire information. Referring to the report, and taking, in connection with it, the abstract statements in your hands, it appears to me to furnish such a complete and clear exposition of the position and business of the Bank, that nothing further in the way of explanation is needed (Hear, hear), and it is really unnecessary I should occupy your time with any lengthened remarks of my own. Regarding the results of the year's business, I may remark, that although the net profits are not quite equal in amount to those of the previous year, still they have been sufficient to enable us to pay the usual dividend of 14 per cent., and after providing amply for all known and anticipated loss, and also to some extent for unforeseen contingencies, to carry forward the sum of \$162,547 to the credit of Profit and Loss Account, which now stands with a credit balance of \$567,928, available, as the report states, for any contingencies that may arise. (Hear, hear.) This result, considering the difficulties and disasters, by which all branches of business have been beset during the year, and from which banking has certainly not been free, ought, I venture to think, to be considered as at least fairly satisfactory, (hear, hear,) affording as it does the very best evidence that can be offered, of the singularly sound judgment, and untiring devotion to the interests of the bank of him to whom it is in the main attributable. (Hear, hear.) Having thus alluded to the importance of the services of the General Manager, I hope you do not suppose that I lose sight of the heavy responsibilities and important duties attaching to the position of a director of an institution like the Bank of Montreal. To do so, would be an injustice towards myself and my colleagues on the Board. Here a question comes up, on which it may not be out of place that I should say a word or two. You will remember the developments that were brought to light by the disasters which now nearly a year ago, compelled one of the most considerable of our banking institutions to close its doors. It is not my intention, nor is it my wish, to allude to these developments more specifically than to say that the ignorance of the true position, as well as of the general business in which it was alleged the directors of the institution in question had been systematically kept, could not possibly have existed in the case of the Directors of the Bank of Montreal—(hear, hear) who have every facility afforded them of forming their own judgment on the transactions of the Bank. Twice in every week statements are laid upon the Directors' table, which show at a glance the actual position of every account in the Bank, every member of the Board being thus enabled to become acquainted with the true position of the Bank, and with the character and extent of every one of its loans. I am glad of the opportunity of making this statement, because the events to which I have been allud-

ing indicate a state of affairs which, if it had not been exceptional, must soon have destroyed all confidence in the management of banks by boards of directors. The report, as I think, wisely abstains from anything like a definite forecast of the future. The trade and commerce of the country are undoubtedly depressed, and undergoing, at the moment, a painful but health-restoring process of contraction. This process, if vigorously persisted in, until the volume of imports is brought down to the limits prescribed by the diminished buying capacity of the country, must soon make its influence felt in every department of our trade and commerce. It is only by such a reduction that business can again be made profitable. Apologizing for the length of these remarks I now beg to move that the report now read be adopted and printed for distribution among the shareholders. (Applause.)

Mr. THOMAS WORKMAN, M.P., said : I have great pleasure in seconding the resolution, and in doing so I would express the entire approval of the shareholders present, and I hope of those absent, with the splendid report that we have heard read. (Hear, hear.) The statement is one that is far more than could have been expected under the circumstances through which the commercial community have lately passed. (Hear, hear.) The depression—knowing the terrible loss that the commercial community have suffered—seems to have missed—or rather the Bank of Montreal seems to have escaped it. At least, the result of the statement submitted to-day would lead us to that conclusion. As to the future, sir, I hope the stockholders will not be too sanguine with reference to the dividends that may be declared hereafter, for unless the bank can make use of its money at remunerative or better rates than at present, the dividends of the past may or may not be maintained. It is proper that the stockholders should look to this in reference to the dividends for the next six or twelve months, after that I hope will be the brightest future, followed by a return to the prosperity which is characteristic of Canada, at least up to 1872 and 1873, and that the dividends will be all that we could expect or hope for. (Hear, hear.)

The shareholders at this stage indulged in conversation for a few minutes, until interrupted by

The CHAIRMAN—I am sorry to see that Mr. Crawford is not here, but I hope his mantle has fallen upon some one who will ask some questions.

After another brief delay.

The CHAIRMAN said—Gentlemen, if you are determined to ask no questions, I will ask Mr. Angus to say a few words.

Mr. ANGUS said—I have but few remarks to offer, and very little information to give beyond what is supplied by the general statement of affairs now submitted to the shareholders. The position of the Bank has not materially changed since the last annual meeting, except in so far as it is affected by the prevailing dullness of business. Comparing the exhibit of 1875 with that now before us, there will be observed but a slight difference in the amount of notes in circulation. There is, however, a decrease in deposits on which no interest is allowed, of \$1,128,158, almost wholly attributable to the